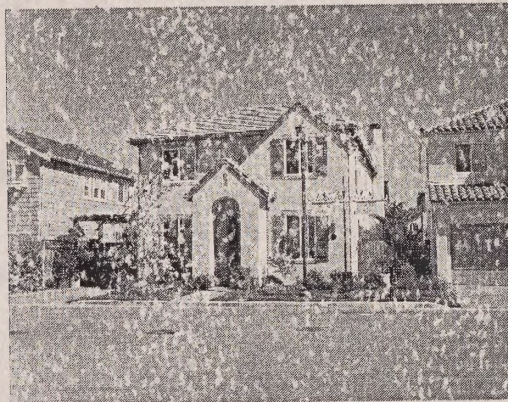
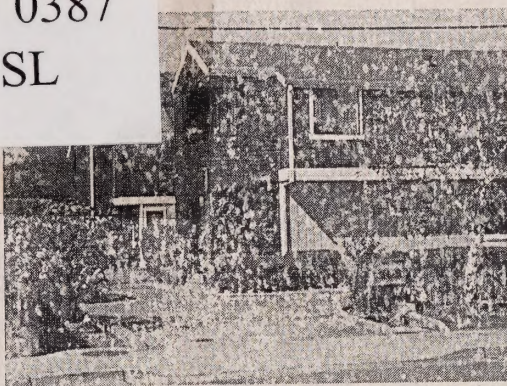


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# Housing Element

Adopted March 25, 2003

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## Background

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### Planning Commission

Mayor, Council Members  
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### Housing and Building Department

Mayor, Council Members  
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 Council Members, Mayor, City Council

### City Staff

Mayor, Council Members  
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### City Council

Mayor, Council Members  
 Council Members, Mayor, City Council  
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## III. Housing

### City Council

Mayor, Council Members  
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 Council Members, Mayor, City Council

### City Staff

Mayor, Council Members





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Bernard H. Meyers, Councilmember

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Edward Brooks  
William Curry  
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Peter Tiernan

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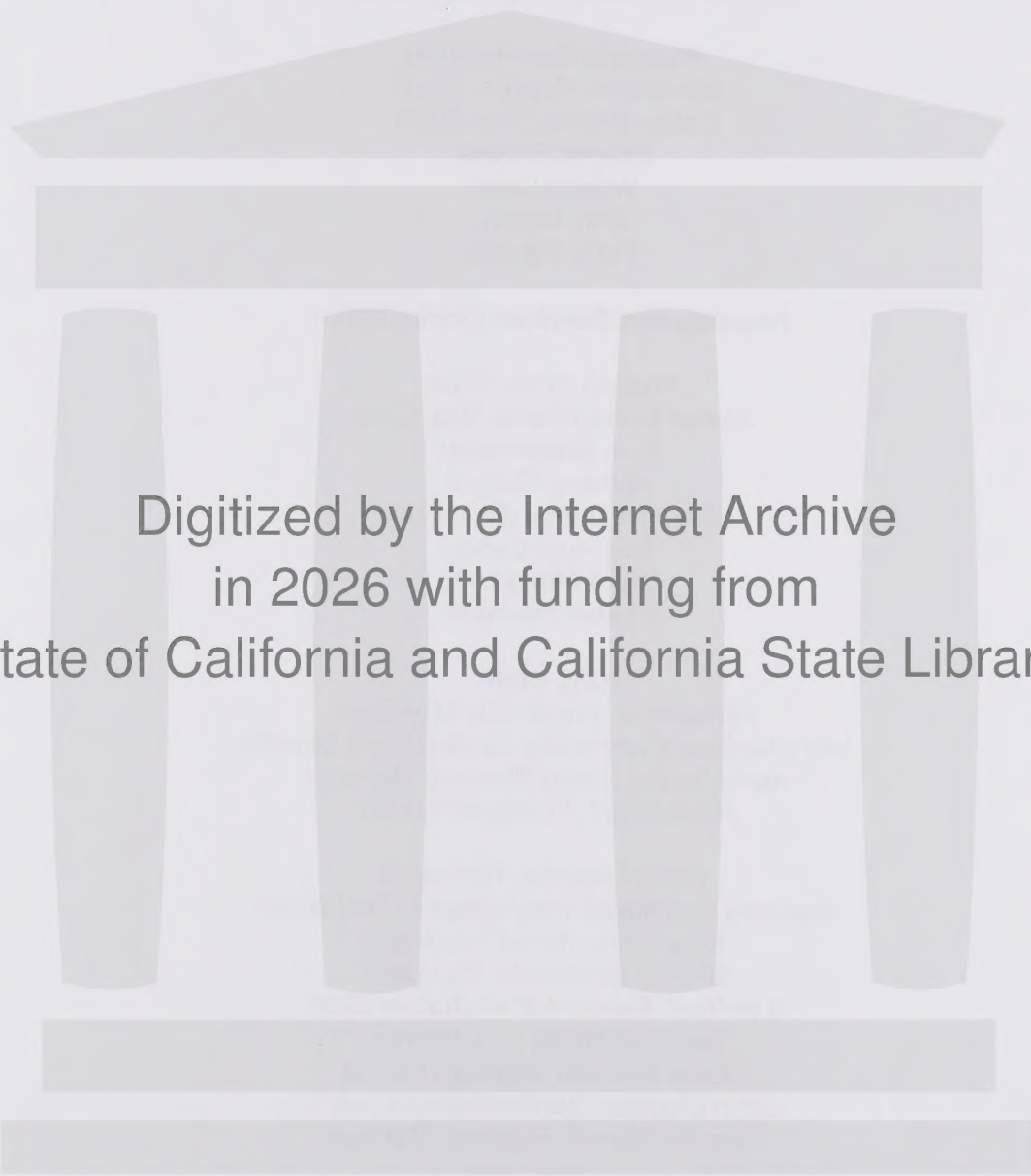
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# Overview of the Novato Housing Element

This Housing Element builds upon the goals, objectives, policies and programs in Novato's previous Housing Element, which has been very successful in a number of areas. As demonstrated in the Hamilton Reuse Plan, there is significant community support for quality affordable housing in Novato. In addition, in April 2001, the City adopted a new Zoning Ordinance which implements a number of the programs identified in the current Housing Element, including standards for second units, mixed use development standards, opportunities for live work, and affordable housing requirements for all development (Affordable Housing Ordinance). Specific, recent accomplishments (housing construction and legislative changes) include:

## Housing Construction

Hamilton Reuse Final Affordable Housing Plan  
Transitional Housing Coordination Plan  
Nova-Ro III (Atherton Ranch)  
The Villas (Hamilton Senior Affordable Apartments)  
Point Marin (Rafael Village)  
Meadow Park (Capehart/Hillside)

## Legislative Changes

Ordinance for Residential Care Facilities for the Elderly  
Novato Affordable Housing Ordinance  
Increased Density for Residential in Downtown  
Up-to-Date Housing Data

The ABAG Regional Housing Needs call for 1,452 very low, low and moderate income housing units to be built between 1999-2006. Novato's progress to date (since January, 1999) in meeting those needs is impressive. In total, 1,258 units have been either built or approved in Novato since January, 1999 in these income categories. This Housing Element continues to support a multi-faceted approach to housing that fulfills the ABAG goals for affordable housing, maximizes the chances for broad community consensus and builds upon these successes.

Community input sponsored through the Novato Housing and Services Commission has helped shape the many new ideas proposed in this Draft Housing Element. Direction from the Housing and Services Commission has been sensitive to the many converging and competing interests, desires and views in the City relating to development of all types of housing while preserving the character of Novato's neighborhoods and open space. The major actions contained in this Housing Element are:

1. Focus on the 221 units of very low income housing that remain from Novato's regional housing needs for the 1999-2006 planning period.
2. Expand residential inclusionary requirements through the following amendments to the Zoning Ordinance to meet specific income levels: Mandatory inclusionary housing at the discretion of the City; increase the affordable housing inclusionary provisions; increase in-lieu fees to reflect market conditions, with an effective "in-lieu" fee formula for developments with four or fewer units; and ways to link inclusionary housing requirements more directly to housing needs.

3. Establish affordable housing contributions for non-residential development, such as providing housing on or off-site, subsidizing mortgages and/or rents and payment of in-lieu fees.
4. Develop architectural guidelines for multi-family housing to ensure enhancement of neighborhood identity and sense of community by designing new housing to have a sensitive transition of scale and compatibility in form to the surrounding neighborhood.
5. Expand incentives for mixed use and transit-oriented housing.
6. Provide policy support for the creation of a Countywide Housing Assistance Team (HAT) to assist the staff.
7. Expand opportunities for accessory dwelling units.
8. Define specific Housing Element implementing programs tasks for the Novato Housing and Services Commission.
9. Evaluate neighborhood housing opportunities.

Appendix A provides an evaluation of current City housing programs. Appendix B contains a list of potential housing sites evaluated in this Housing Element. Appendix C contains a summary of Housing Element implementing programs.



# Introduction

## Housing Element Purpose and Organization

All the cities and counties in California are required to have a housing element included in its general plan which establishes housing objectives, policies and programs in response to community housing conditions and needs. This Housing Element is an update of the City's previous Housing Element, which was adopted as part of the Novato General Plan on March 8, 1996.

The purpose of the Housing Chapter of the Novato General Plan is to achieve an adequate supply of safe, adequate housing for all residents of Novato. Despite a number of successes, including the current construction of 708 workforce affordable homes at Hamilton, housing affordability in Novato, Marin and in the Bay Area as a whole has become an increasingly important issue. This has implications as it becomes more difficult to fill vacant jobs; roadways are clogged with workers traveling longer distances; and many young families, longtime residents, and other community members relocate because they can no longer afford to live in the community.



**Nova-Ro II**  
*Novato Rotary Club – 56 deed restricted senior units*

One response to this concern has been a process jointly sponsored by all of the local government jurisdictions in Marin County — all eleven towns and cities, and the County — to develop “best practices” and participate together, where possible, in developing common strategies to address housing needs. The *Marin Housing Workbook* was prepared as part of this effort and is included as a reference document for Novato’s Housing Element update.

The Housing Chapter is divided into five sections. Section 1 contains introductory material and an overview of state law requirements for housing elements. Section 2 contains background analysis of housing needs. Section 3 contains an assessment of housing opportunities. Section 4 contains a summary of the key findings from the analysis of trends, needs and opportunities. Section 5 contains the City’s housing vision, goal and objectives, policies and implementing actions.

## Housing Element Requirements

The Housing Element focuses on the community’s housing needs and strategies for meeting those needs. The Housing Element: (1) Documents housing-related conditions and trends; (2) provides an assessment of housing needs; (3) identifies resources, opportunities and constraints; and, (4) establishes policies, programs and quantified objectives to address housing needs.

### Overview of State Law Requirements

State law establishes requirements for all portions of the General Plan. However, for the Housing Element, the State requirements tend to be more specific and extensive than for other elements. The purpose of a housing element is described in Government Code §65583.



*"The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, and mobilehomes, and shall make adequate provision for the existing and projected needs of all economic segments of the community."*

While jurisdictions must review and revise all elements of their General Plan on a regular basis to ensure that they remain up to date (approximately every ten years), State law requires that Housing Elements be reviewed and updated at least every five years. The process of updating Housing Elements is to be initiated by the State through the "regional housing needs" process, as described below. The last time the State initiated the regional housing needs process was in 1990. The City of Novato updated its Housing Element in response to the State's regional housing needs determination and in accordance with State law requirements.

State law is also quite specific in terms of what the Housing Element must contain: (1) An assessment of housing needs and an inventory of resources and constraints relevant to meeting these needs; (2) A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing; and, (3) A program which sets forth a five-year schedule of actions...to implement the policies and achieve the goals and objectives.

Most importantly, the Housing Element must: (1) Identify adequate sites with appropriate zoning densities and infrastructure to meet the community's need for housing (including its need for low and very low income households, mobile homes, farmworker housing and homeless shelters); and (2) "Address, and where appropriate and legally possible, remove governmental constraints" to housing development.

### **The Five-year Action Plan**

In establishing housing programs, the Housing Element sets forth a "Five Year Action Plan" that details the actions, or "programs," that will implement the goals and policies. For each program, the Action Plan must identify the agency responsible, the timeframe for implementation, and the number of units that will be constructed, rehabilitated or conserved, or number of households that will be assisted, as a result of the program.

The primary areas of need that must be addressed in the Action Plan include:

- Ensure adequate sites
- Provide assistance to support affordable housing
- Conserve and improve the existing affordable housing stock
- Address and remove governmental constraints
- Promote equal housing opportunities
- Preserve assisted housing

### **Review by State HCD**

State law requires that every updated Housing Element be submitted to the State of California's Department of Housing and Community Development (HCD) to ensure compliance with the State's minimum requirements. This "certification" process is unique among the General Plan elements.



Housing Elements are submitted twice to HCD for review and comment: Once during development of the Housing Element (in draft form), and again after adoption of the Housing Element by the local jurisdiction. The first review period requires 60 days and must take place prior to adoption by the Novato City Council. During the first review, HCD will submit comment back to the City regarding compliance of the element with State law requirements and HCD guidelines. Modifications to the Draft Housing Element in response to these comments is appropriate. The City Council must consider HCD's comments prior to adoption of the Housing Element. The second review requires 90 days and takes place *after* adoption. It is after the second review that written findings regarding compliance are submitted to the City.

## How the Housing Element Was Prepared

The housing element must identify community involvement and decision-making processes and techniques that are affirmative steps to get input from low-income persons and their representatives as well as other members of the community. This means that input should be sought, received and considered before the draft housing element is completed. The City of Novato's Housing Element update process has been built upon the efforts undertaken to date on the *Marin Housing Workbook*

(see *Marin Housing Workbook* Chapter One).

In an effort to involve all economic segments of the community, the *Marin*

## Housing Element Definitions

**Senior Housing:** Defined by California Housing Element law as projects developed for, and put to use as, housing for senior citizens. Senior citizens are defined as persons at least 62 years of age. The City of Novato, however, has and may in the future, apply a definition for senior citizens to persons at least 55 years of age.

**Persons per Household:** Average number of persons in each household.

**Accessible Housing:** Units accessible and adaptable to the needs of the physically disabled.

**Assisted Living Facility:** A residential building or buildings that also provide housing, personal or health care, as permitted by the Department of Social Services, designed to respond to the daily, individual needs of the residents. Assisted Living Facilities may include kitchenettes within individual rooms and are required to be licensed by the California Department of Social Services, and do not include skilled nursing services.

**Housing Affordability:** The generally accepted measure for determining whether a person can afford housing means spending no more than 30 percent of one's gross household income on housing costs, including utilities, principle, and interest. For example, a school teacher earning \$34,300 per year can afford \$857 per month for housing. A police officer earning \$57,600 can afford monthly payments up to \$1,440. Households paying more than 30 percent of their income on housing are considered "overpaying households" by the U.S. Census.

**Median Household Income:** The middle point at which half of the City's households earn more and half earn less. The current median income for a family of four in Marin is \$86,100/year.

**Income Limits:** Income limits are updated annually by the U.S. Department of Housing and Urban Development (HUD) for Marin County (the most recent HCD income limits can be accessed online at <http://www.hcd.ca.gov>). For many State and local programs, State Department of Housing and Community Development (HCD) income eligibility limits are used. HCD income limits regulations are similar to those used by HUD. Income limits (for 2002) as defined by California Housing Element law are:

- **Very Low Income Households:** Households earning less than 50 percent of the median household income—family of four earning less than \$43,050/year
- **Low Income Households:** Households earning 50-80 percent of the median household income—family of four earning between \$43,050 and \$68,900/year.
- **Lower Income Households:** Defined by California Housing Element law as households earning less than 80 percent of the median income (less than \$68,900/year).
- **Moderate Income Households:** Households earning 80-120 percent of the median income—family of four earning between \$68,900 and \$103,300/year.
- **Above Moderate Income Households:** Households earning over 120 percent of the median household income—family of four earning above \$103,300/year.



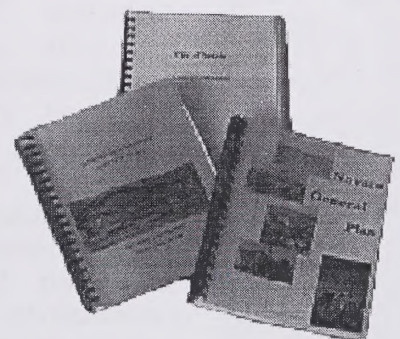
*Housing Workbook* process, from its inception, was developed through an open, inclusive process. The 4,000 persons and organizations on the mailing list include all housing-related non-profits in Marin County and persons from a mailing list provided by Novato's Planning Division and the Marin Housing Authority. In addition, recommendations considered as part of the "best practices," contained the document, were made by groups such as the Marin Housing Element Coalition, Greenbelt Alliance and Non-Profit Housing of Northern California. A study session was also conducted with HCD staff and the County's Planning Directors.

Requirements for public participation are described in Section 65583(6)(B) of the Government Code. To date, materials from the *Marin Housing Workbook* were used at community workshops for Marin County, the City of Novato and the City of San Rafael. The process is also intended to coordinate among various departments and other local agencies and housing groups, community organizations and housing sponsors in the collection of data and development of "best practices." Collaboration enhances the effectiveness of housing element programs in indicating "the agencies and officials responsible for the implementation" (Section 65583(c)(6)(B)).

The Housing Element process in Novato has involved a number of groups and individuals in the process of reviewing current housing conditions and needs and considering potential housing strategies. The effort has been coordinated through the Novato Housing and Services Commission, who has been responsible for providing strategic direction on key issues, developing the approach for the community "Open House" to discuss housing issues, and making recommendations concerning updated policies and programs. In an effort to involve all economic segments of the community in Novato, notices were both published in the Novato Advance and sent to approximately 200 people and organizations on the housing element mailing list. The mailing list included representatives of groups with special housing needs, tenant and low income groups, landlords, developers and neighborhood residents as well as City staff members and decision makers.

## Relationship of the Housing Element to Other General Plan Elements

The General Plan serves as the "constitution" for development in the city. It is a long-range planning document that describes goals, policies and programs to guide decision-making. Once the General Plan is adopted, all development-related decisions must be consistent with the plan. If a development proposal is not consistent with the plan, it must be revised or the plan itself must be amended. State law requires a community's General Plan to be internally consistent. This means that the Housing Element, although subject to special requirements and a different schedule of updates, must function as an integral part of the overall General Plan, with consistency between it and the other General Plan elements.



*City of Novato General Plan (1996),  
Downtown Novato Specific Plan (1998)  
and Novato Zoning Ordinance (2001)*

A comprehensive update of the Novato General Plan was conducted in the mid-1990's, with the current plan adopted in 1996. It contains nine elements, including Land Use, Transportation, Housing, Environment, Safety & Noise, Economic Development and Fiscal Vitality, Human Services, Public Facilities and Services, and Community Identity. The development potential and programs of the updated Housing Element are consistent with the land use and development projections of the General Plan. Land use and development projections of the General Plan are also linked to planned facilities and infrastructure capacity. Specific issues addressed in other sections of the General



Plan but which are linked to and supported in the Housing Element include: (1) The design of housing (Community Identity); (2) relationship of jobs to housing supply (Economic Development and Fiscal Reality, and Land Use); and (3) support services for housing (Human Services).

## Housing Needs Analysis

### Population and Employment Trends

#### Projections

Marin County currently has a population of 247,289 people (100 percent count from the 2000 U.S. Census). Over the next 40 years, between 2000 and 2040, the California Department of Finance projects that Marin County as a whole will grow at an average annual rate of 0.5 percent, which amounts to about 1,220 people per year or roughly 500 households per year countywide.

The projections below are for the Novato Planning Area. As can be seen in the table, a significant increase in jobs over the next 20 years is expected to help achieve a greater balance of jobs to employed residents. The ratio of employed residents per job is expected to go from 1.17:1 in 2000 to 0.97:1 in 2020. Although, about 75 percent of the 12,630 new jobs created in the next 20 years are expected to be in the relatively lower paying services and retail sectors.

HO Table 1

Marin County and Novato Planning Agency Projections (1995-2020)

| Location                       | 1995     | 2000      | 2005      | 2010      | 2015      | 2020      | Change<br>2000-2020 |
|--------------------------------|----------|-----------|-----------|-----------|-----------|-----------|---------------------|
| <b>Marin County</b>            |          |           |           |           |           |           |                     |
| Population                     | 238,500  | 247,289   | 254,500   | 264,100   | 270,900   | 275,500   | +28,211             |
| Households                     | 97,110   | 100,650   | 102,690   | 106,580   | 109,660   | 112,030   | +11,380             |
| Average Household Size         | 2.37     | 2.34      | 2.37      | 2.37      | 2.36      | 2.35      | 0.01                |
| Employed Residents             | 128,000  | 140,955   | 145,300   | 154,200   | 159,000   | 161,700   | +20,745             |
| Jobs                           | 112,290  | 112,960   | 129,290   | 137,630   | 146,930   | 155,160   | +32,200             |
| Employed Residents/Job         | 1.14     | 1.15      | 1.12      | 1.12      | 1.08      | 1.04      | -0.10               |
| Percent of Bay Area Population | 3.7%     | 3.6%      | 3.5%      | 3.5%      | 3.5%      | 3.4%      | -0.2%               |
| Percent of Bay Area Jobs       | 3.5%     | 3.3%      | 3.3%      | 3.3%      | 3.3%      | 3.3%      | 0.0%                |
| Jobs/Household                 | 1.16     | 1.22      | 1.26      | 1.29      | 1.34      | 1.38      | +0.16               |
| <b>Novato Planning Area</b>    |          |           |           |           |           |           |                     |
| Population                     | 54,000   | 52,907    | 55,200    | 58,700    | 61,100    | 63,100    | +10,193             |
| Households                     | 20,520   | 20,503    | 21,200    | 22,550    | 23,550    | 24,450    | +3,947              |
| Average Household Size         | 2.61     | 2.53      | 2.55      | 2.55      | 2.55      | 2.54      | +0.01               |
| Mean Household Income          | \$74,400 | \$100,800 | \$105,500 | \$113,000 | \$116,000 | \$121,400 | +\$20,600           |
| Employed Residents             | 29,200   | 30,968    | 32,300    | 35,100    | 36,800    | 38,000    | +7,032              |
| Jobs                           | 20,930   | 26,520    | 28,360    | 31,760    | 35,350    | 39,150    | +12,630             |
| Jobs/Household                 | 1.02     | 1.29      | 1.34      | 1.41      | 1.50      | 1.60      | +0.31               |
| Employed Residents/Job         | 1.40     | 1.17      | 1.14      | 1.11      | 1.04      | 0.97      | -0.20               |
| Percent of County Population   | 22.6%    | 21.4%     | 21.7%     | 22.2%     | 22.6%     | 22.9%     | 1.5%                |
| Percent of County Jobs         | 18.6%    | 21.6%     | 21.9%     | 23.1%     | 24.1%     | 25.2%     | 3.7%                |

Source: Association of Bay Area Governments, "Projections 2002"



There are many benefits of having a balance between jobs and employed residents, including a labor supply more closely matched to local employment needs, less congested freeways, reduced fuel consumption and improved air quality, reduced expenditures on major transportation projects, and savings in travel time for both businesses and individuals. However, a 1.0 to 1.0 ratio between jobs and employed residents does not guarantee a reduction in commute trips. Although Novato is expanding its jobs base, many residents still commute elsewhere to work, while many of the people who work in Novato are living in other communities due to high housing costs and availability, or other lifestyle choices. So, even with a 1:1 ratio of jobs to housing, cities or counties can continue to exchange workers regardless of a correlation of employed residents to total jobs. Therefore, a focus of the Housing Element should be to address the issue of matching housing costs and types to the needs and incomes of the community's workforce.



*The Novato General Plan provides for a variety of housing opportunities while protecting natural resources.*

### **Population Trends**

The greatest increases in population age groups over the next 40 years are expected to be elderly and young adult households, which tend to have the lowest income levels. According to the 2000 U.S. Census, 23.5 percent of all households in Marin County are age 65 or older. In Novato, the percentage of households age 65 or older is slightly less, at 22.9 percent of all households.

According to the California Department of Finance, the elderly population is expected to comprise 26 percent of the population increase in Marin over the next 40 years, with the greatest percentage increase in those elderly over 75 years of age. The Marin Commission on Aging (MCA) predicts even greater increases in Marin's elderly population. By the year 2020, according to MCA, one out of every three Marin residents will be 60 years of age or older. MCA predicts this age group will nearly double in size from 40,000 to 74,000 persons by 2020. Three out of four individuals of the "oldest old," 85 years of age or greater, are expected to be women.

## **Housing Conditions**

### **Housing Types and Production**

Detached single family homes are the majority of residential units in Novato, comprising about 55 percent of the total housing stock. Rental apartments are the next most common housing types, comprising about 24 percent of the total units, while condominiums and townhomes comprise about 18 percent, and mobilehomes comprise the remaining 3 percent. Between 1990 and 2000 a total of 1,351 units were added to the housing stock, with multifamily housing comprising about 23 percent and single family housing comprising 77 percent of the total units added.

### **Age and Condition of the Housing Stock**

About 44 percent of the existing homes in Novato were built more than 30 years ago, which is significantly lower than Marin County as a whole (about two-thirds of the units countywide). In general, the condition of the housing stock in Novato is good, primarily due to the high value of



residential property in Novato, which makes improvements to property condition a valuable investment. Still, there are areas where housing condition is an issue, especially where rental units have deteriorated due to age and lack of maintenance.

HO Table 2

Housing Conditions in the City of Novato

|                          | Need for Replacement | Need for Significant Rehabilitation | Need for Limited Rehabilitation |
|--------------------------|----------------------|-------------------------------------|---------------------------------|
| Single Family Units      | 20                   | 75                                  | 1,045                           |
| Multifamily Units        | 0                    | 25                                  | 340                             |
| Apartment Complexes      |                      |                                     |                                 |
| 2-6 Romar Court          | 0                    | 2                                   |                                 |
| 1317-1319 Leafwood Drive | 0                    | 16                                  |                                 |
| 1524 Hill Road           | 0                    | 12                                  |                                 |
| Other                    | 0                    | 20                                  | 450                             |
| Total                    | 20                   | 150                                 | 1,835                           |

Replacement need is defined as having improvement cost that exceeds estimated replacement cost.

Significant rehab is defined as having major deficiencies that may require immediate repair.

Limited rehab is defined as structures exhibiting minor repair need and are not considered to exhibit major safety issues.

Source: City of Novato Code Enforcement Division

The City's Code Enforcement Division reports that approximately 150 single family and multiple family units, with 50 of those dispersed over various rental complexes, that are in need of significant rehabilitation. No apartment buildings are in need of replacement. The department estimates that 20 single family units are in need of replacement and 75 are in need of significant

rehabilitation. Approximately 1 percent of the housing stock has deferred maintenance issues and is in need of limited rehabilitation. This information is summarized in the table to the right.

The City contracts with the County of Marin to perform building inspections. The City may want to consider returning this function to the City. In addition, the City continues to participate in the CDBG Rehabilitation Loan Program, which served 43 residents in 1999 and 48 residents in 2000. Specific programs include single family home repair loans, emergency repair and accessibility grants, exterior enhancement rebates, and weatherization. As of 2000, 533 Residential Rehabilitation Loans were made to low income homeowners throughout the County. City policies have continued to support and expand these efforts, including the City's financial support of Rebuilding Together with Christmas in April program.

## Household Characteristics

### Household Types

The Bureau of the Census in their counts defines a household as all persons who occupy a housing unit, including families, single people, or unrelated persons. Persons living in licensed facilities or dormitories are not considered households. There were 18,524 households in Novato in 2000, of which about 67 percent were families and 33 percent were non-family households. Most of the non-family households were people living alone (with about a third of those being individuals age 65 or over — representing about 10 percent of all households).



According to the 2000 Census, the average household size in Marin County was 2.40 persons and the average household size in Novato in 2000 was slightly higher at 2.52 persons. The countywide average household size is expected to increase to 2.41 by 2005 before declining to 2.39 by 2020. Compared to the rest of the Bay Area, Marin County's average household size is significantly lower, averaging 0.3 fewer persons per household. Novato's average household size is projected to increase to 2.76 persons in 2005 and then decrease to 2.67 persons in 2020.



*An "Open House," hosted by the Novato Housing and Services Commission, provided opportunity for community input on housing needs and strategies.*

Small households generate less impact on a per unit basis than larger households. Although, high housing prices can force people to share living accommodations, thereby increasing household size. Marin County's and Novato's aging population, discussed earlier, also reduces the occupancy rate as children move out and mortality increases. On average, renter households in Marin County (2.21 persons per household in 2000) are slightly smaller than owner households (2.42 persons per household in 2000), although in Novato, that is reversed and renter households are slightly larger than owner households (2.56 to 2.50).

### **Housing Tenure**

Tenure refers to whether a housing unit is rented or owned. According to the 2000 census figures, there were 64,024 owner-occupied units in Marin County (61 percent of all units) and 36,626 renter-occupied units (35 percent of the total) in the year 2000. This is an increase in the percentage of owner-occupied units in comparison to 1990 (when 59 percent were owner-occupied and 36 percent were rented), which also reflects that a higher proportion of single family homes were built as compared to multi-family units. In Novato, there is even a higher rate of ownership, with 66 percent of the units being owner-occupied (60 percent in 1990), and 32 percent being renter-occupied (37 percent in 1990).

### **Vacancy Rate Trends**

The vacancy rates for housing in Marin County, as indicated by the 1990 and 2000 census, have decreased since 1990, when the census recorded a vacancy rate of 4.7 percent. In 2000, the total vacancy rate was recorded at 4.1 percent. However, the effective vacancy rate for rental housing units is 2.2 percent, which excludes units that are unavailable as long term rentals. In Novato, the effective vacancy rate for rental housing is 2.5 percent. The 2.5 percent figure is indicative of a very tight rental housing market in which demand for units exceeds the available supply. Based on rent level surveys, the rental vacancy rate is most likely much tighter for units affordable to very low, low and even moderate income households.

In general, a higher vacancy rate is considered necessary by housing experts to assure adequate choice in the marketplace and to temper the rise in home prices. A 5.0 percent rental vacancy rate is considered necessary to permit ordinary rental mobility. In a housing market with a lower



vacancy rate, tenants will have difficulty locating appropriate units and strong market pressure will inflate rents. Thus, the 1990's have seen a significant tightening in the local housing market, a phenomenon that has been experienced in many Bay Area communities. Nationwide, there was a sharp drop in multifamily housing construction during the 1990's which contributed to low vacancy rates and rising rents. According to a study conducted by University of Southern California demographer and planner Dowell Myers, the reason for the drop was due to the loss of federal tax credits, local resistance to apartment construction, litigation and liability issues, and population changes.

In addition, the lower the vacancy rate the greater the tendency for landlords to discriminate against potential renters. Fair Housing of Marin is a civil rights agency that investigates housing discrimination, including discrimination based on race, origin, disability, gender, and children. Their caseload consists almost entirely of renters. The organization receives approximately 1,200 inquiries a year, of which about 250 are discrimination complaints that are fully investigated. Fair Housing of Marin also educates landowners on fair housing laws, provides seminars in English, Spanish, and Vietnamese on how to prepare for a housing search and recognize discrimination, and education programs on the importance of community diversity in schools, which includes an annual "Fair Housing" poster contest. The organization also advocates for affordable housing policies and works with the Housing Council.

### **Overcrowding**

Overcrowded housing is defined by the US Census as units with more than one inhabitant per room, excluding kitchen and bathrooms. According to 2000 census data, there are 200 owner occupied units (1.6 percent of owner housing units) and 772 renter households (12.8 percent of renter housing units) with overcrowded conditions. Twenty-three owner occupied units and 198 renter occupied units are severely overcrowded with 2 or more occupants per room. In Marin County, the rate of overcrowding is lower with one percent of owner occupied units and 10 percent of renter occupied units reported as overcrowded. The incidence of overcrowding of owner units in Novato has increased slightly since 1990 when one percent was reported as overcrowded. The incidence of overcrowded renter units in Novato has nearly doubled over the past ten years from 7 percent.

It is also likely that the incidence of overcrowding has *increased* over the 1990 levels, given the increase in housing prices relative to local incomes, the increase in the average household and family size, and the very low vacancy rates reported in the census statistics. An increase in overcrowding has been identified as an issue by building and code enforcement staff in Novato.

It should be noted that studies show that overcrowding results in a multitude of negative public health indicators, including increased transmission of tuberculosis and hepatitis. In addition, studies show increases in domestic violence, sexual assault, mental health problems and substance abuse related to overcrowded living conditions.

## **Housing Costs, Household Income, and the Ability to Pay for Housing**

### **Household Income**

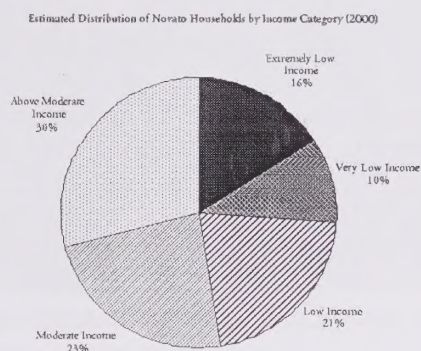
Income is defined as wages, salaries, pensions, social security benefits, and other forms of cash received by a household. Non-cash items, such as Medicare and other medical insurance benefits, are not included as income. It is generally expected that people can afford to pay about a third of their income on housing. Housing cost includes principal, interest, property taxes and insurance,



but not utilities, food, etc. It is therefore critical to understand the relationship between household income and housing costs to determine how affordable—or unaffordable—housing really is.

It is currently estimated that 39.3 percent of all Marin County households and 47.6 percent of all Novato households (see HO Figure 1) fall in the very low and low income category. There is even a greater proportion of very low and low income households among renters. It is estimated in 2000 that 56.2 percent of all renters in Novato fall in the very low and low income category, earning less than \$64,100 for a family of four. Although the average household income in Marin County and Novato has been increasing, the number of households that fall into the low and very low income categories has also increased.

HO Figure 1



Information on household income by household size is maintained by the U.S. Department of Housing and Urban Development (HUD) for each county and updated annually. In Marin County and Novato, examples of income levels that would qualify for affordable housing in 2001 are shown on the next page. The current income levels by jurisdiction are shown in the tables below. Income categories are defined as a percentage of Marin County Median Household Income for four person households:

|                                |                                                |
|--------------------------------|------------------------------------------------|
| ➤ <i>Extremely Low Income</i>  | Below 35 percent of Marin County median income |
| ➤ <i>Very-Low Income</i>       | Below 50 percent of median income              |
| ➤ <i>Low Income</i>            | 50-80 percent of median income                 |
| ➤ <i>Moderate Income</i>       | 80-120 percent of median income                |
| ➤ <i>Above-Moderate Income</i> | 120 percent and above of median income         |

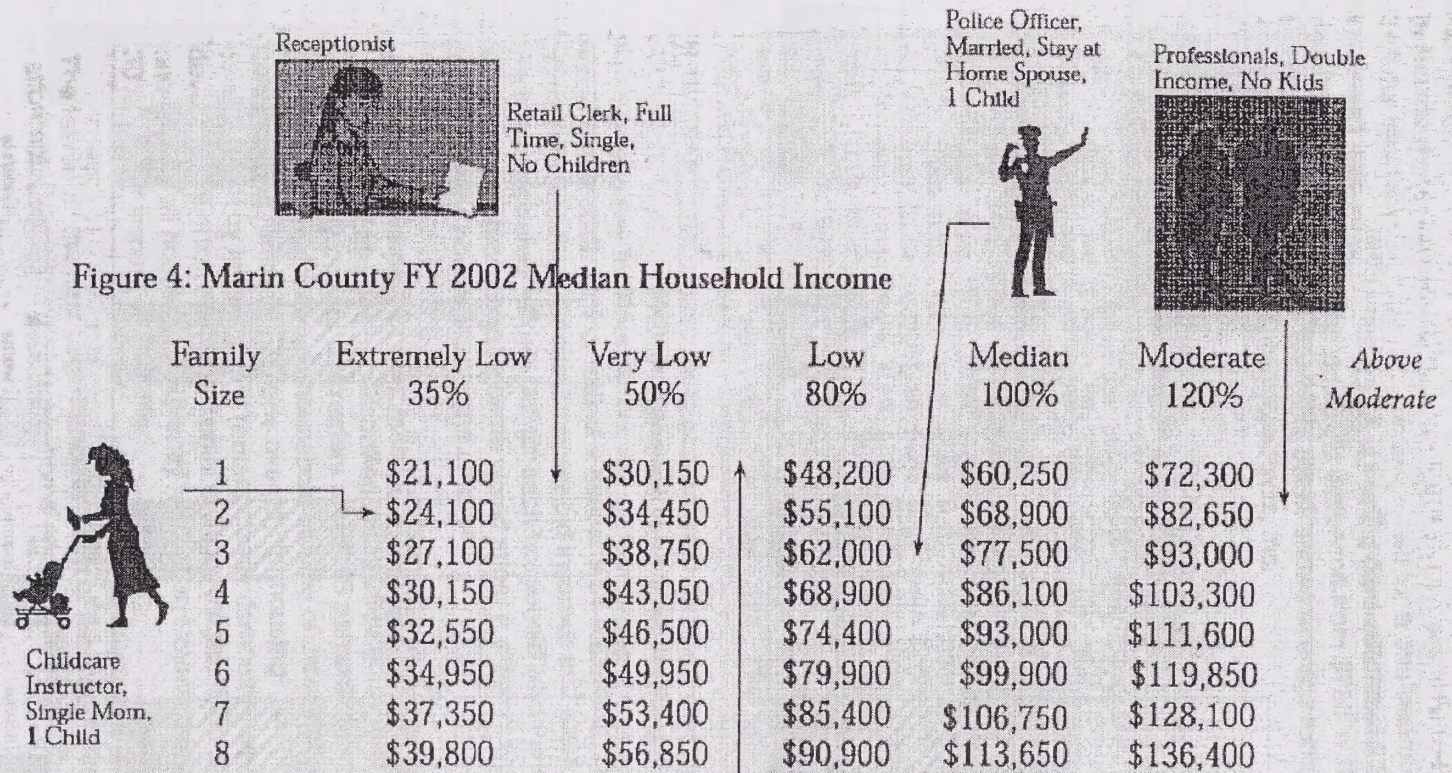
The graphs (HO Figures 3 and 4) show an estimated breakdown of current households in Novato by age of householder and income category (using data provided by Claritas, Inc., adjusted to estimated household income as determined by HUD). While middle age households (35-54 years of age) comprise the majority of households in Novato, proportionately the most significant very low income housing need is in younger households (under 34) and seniors (65 years plus).

### Sales Prices and Rents

From 1993 to 2000 the median home sales price in Marin County increased from \$314,250 to \$523,000. The median price for a single family detached home price in Marin County in 2000 was \$599,000, requiring an income over \$150,000 per year to qualify for a loan. In Novato in 2000 the median price for a conventional single family detached home was \$478,560, which would require an income over \$120,000 per year to qualify for a loan. The median price of a townhome or condominium in 2000 was \$274,863, which is more affordable to higher moderate income households.



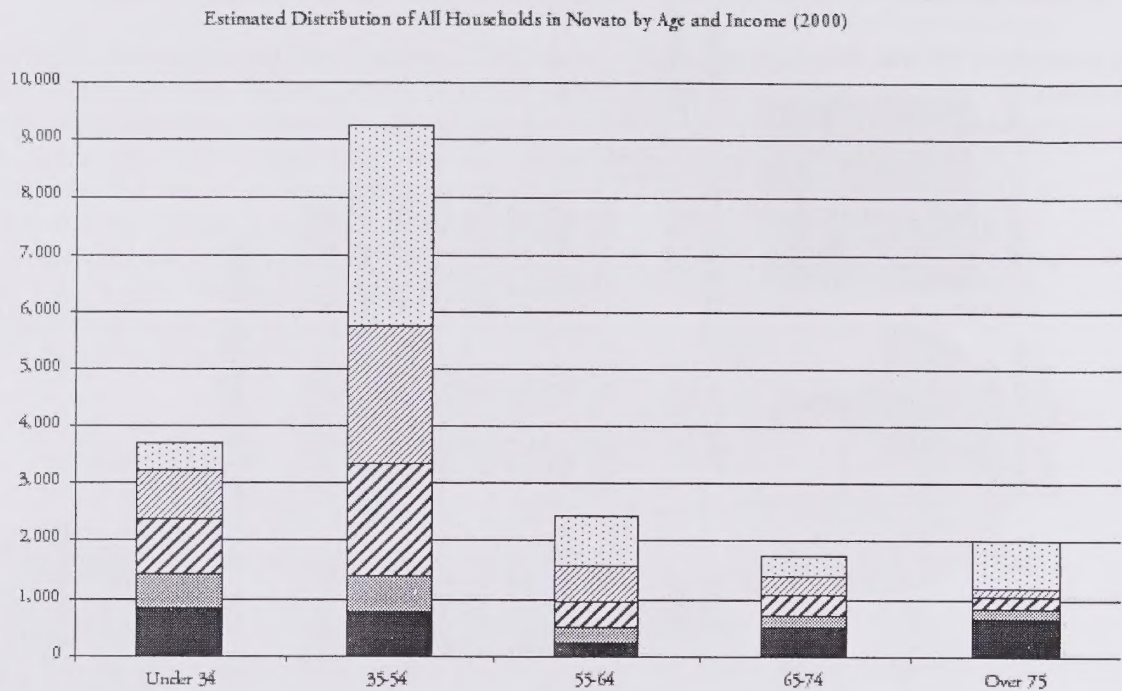
HO Figure 2



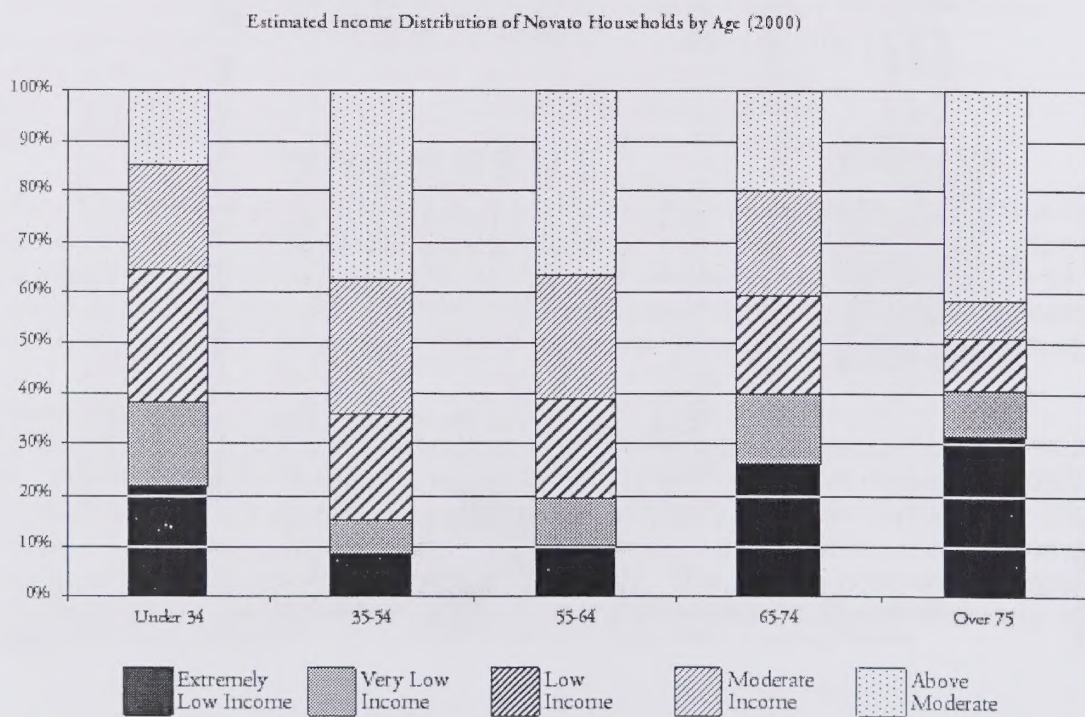
Source: Department of Housing and Urban Development, effective January 31, 2002



HO Figure 3



HO Figure 4





According to rental data compiled by Michael Burke of Frank Howard Allen, rents in Novato have increased 22 percent over the last two years for one-bedroom units and 31 percent for two-bedroom units. The average rent for a one-bedroom unit in Novato increased from \$670 in 1992 to \$1,119 in the third quarter of 2000. The average rent for a two-bedroom unit in Novato increased from \$788 in 1992 to \$1,420 in the third quarter of 2000. The table below shows average rents in Novato in 1999 and 2000 as compiled by RealFacts, Inc.

HO Table 3  
Rents in Novato by Unit Type in Apartment Complexes of Over 50 Units (1999-2000)

| Type of Unit<br>Bed/Bath | Jan-<br>Mar<br>1999 | April-<br>June<br>1999 | July-<br>Sept<br>1999 | Oct-<br>Dec<br>1999 | Jan-<br>Mar<br>2000 | April-<br>June<br>2000 | July-<br>Sept<br>2000 | Oct-<br>Dec<br>2000 | Four<br>Period<br>+/- | Average<br>1999 | Average<br>2000 | % Change<br>Jan 2000-<br>Dec 2000 | % Change<br>Jan 1999-<br>Dec 2000 |
|--------------------------|---------------------|------------------------|-----------------------|---------------------|---------------------|------------------------|-----------------------|---------------------|-----------------------|-----------------|-----------------|-----------------------------------|-----------------------------------|
| 0/1                      | \$780               | \$780                  | \$780                 | \$803               | \$813               | \$813                  | \$853                 | \$882               | 9.8%                  | \$786           | \$840           | 8.49%                             | 13.08%                            |
| 1/1                      | \$980               | \$991                  | \$1,001               | \$1,013             | \$1,012             | \$1,071                | \$1,124               | \$1,157             | 14.2%                 | \$996           | \$1,091         | 14.33%                            | 18.06%                            |
| 2/1                      | \$1,130             | \$1,168                | \$1,185               | \$1,186             | \$1,206             | \$1,287                | \$1,353               | \$1,401             | 18.1%                 | \$1,167         | \$1,312         | 16.17%                            | 23.98%                            |
| 2/2                      | \$1,207             | \$1,222                | \$1,255               | \$1,285             | \$1,308             | \$1,327                | \$1,363               | \$1,444             | 12.4%                 | \$1,242         | \$1,361         | 10.40%                            | 19.64%                            |
| 2 TH                     | \$1,183             | \$1,234                | \$1,234               | \$1,230             | \$1,232             | \$1,375                | \$1,438               | \$1,491             | 21.2%                 | \$1,220         | \$1,384         | 21.02%                            | 26.04%                            |
| 3/2                      | \$1,344             | \$1,369                | \$1,394               | \$1,419             | \$1,433             | \$1,469                | \$1,536               | \$1,689             | 19.0%                 | \$1,382         | \$1,532         | 17.86%                            | 25.67%                            |
| 3 TH                     | \$1,310             | \$1,360                | \$1,360               | \$1,360             | \$1,360             | \$1,510                | \$1,660               | \$1,660             | 22.1%                 | \$1,348         | \$1,548         | 22.06%                            | 26.72%                            |
| Average                  | \$1,121             | \$1,144                | \$1,163               | \$1,180             | \$1,189             | \$1,248                | \$1,303               | \$1,366             | 15.8%                 | \$1,152         | \$1,277         | 14.89%                            | 21.86%                            |
| Overall                  |                     |                        |                       |                     |                     |                        |                       |                     |                       |                 |                 |                                   |                                   |
| Occupancy                | 97.2%               | 97.5%                  | 97.8%                 | 97.3%               | 98.2%               | 98.7%                  | 98.8%                 | 97.7%               | 0.4%                  | 98.3%           | 98.4%           | -0.5%                             | 0.5%                              |
| Vacancy                  | 2.8%                | 2.5%                   | 2.2%                  | 2.7%                | 1.8%                | 1.3%                   | 1.2%                  | 2.3%                |                       | 2.6%            | 1.7%            |                                   |                                   |

Source: RealFacts, Inc., 2001

## The Ability to Pay for Housing

Housing that costs 30 percent or less of a household's income is referred to as "affordable housing." Because household incomes and sizes vary, the price which is considered "affordable" for each household also varies. For example, a large family with one small income would afford a different type of housing than a double-income household with no children.

Households "overpay" for their housing when they must pay more than 30 percent of their income on housing. According to the 2000 U.S. Census, estimates of overpayment by owners and renters reveal 15 percent of low-income households pay over 30 percent of their household income on housing, and 40 percent of lower-income renter households overpay for housing. The high rate of overpayment by lower-income renters clearly demonstrates the need for development of lower-income rental units in Novato. In total, it is estimated that one-third of all households currently residing in Novato are paying more than 30 percent of their income on housing.

The tables on the next page translate each of the income categories into "affordable rents" and "affordable home prices." These are the rents and home prices that a household earning that level of income could be expected to pay if they were to spend 30 percent of their income on housing. The exact amount that they could pay would of course depend on the amount of down payment they could afford and the specific terms of their mortgage. These are rough calculations, meant as "indicators" only. They demonstrate the "gap" between market prices and affordability at various income levels.



HO Table 4

## Estimate of the Ability to Pay for Sales Housing in Novato (2001)

| Household Size and Income Category | Monthly Income | Annual Income | "Rule of Thumb"<br>Home Price at Four Times Annual Income | Median Priced Single Family Detached Unit | Gap Between "Rule of Thumb" Price and Median SFD Unit | Median Priced Townhouse and Condo Unit | Gap Between "Rule of Thumb" Price and Median TH/C Unit |
|------------------------------------|----------------|---------------|-----------------------------------------------------------|-------------------------------------------|-------------------------------------------------------|----------------------------------------|--------------------------------------------------------|
| <b>Single Person</b>               |                |               |                                                           |                                           |                                                       |                                        |                                                        |
| Extremely Low Income               | \$1,638        | \$19,650      | \$78,600                                                  | \$478,560                                 | -\$399,960                                            | \$274,863                              | -\$196,263                                             |
| Very Low Income                    | \$2,338        | \$28,050      | \$112,200                                                 | \$487,560                                 | -\$366,360                                            | \$274,863                              | -\$162,663                                             |
| Low Income                         | \$3,738        | \$44,850      | \$179,400                                                 | \$487,560                                 | -\$299,160                                            | \$274,863                              | -\$95,463                                              |
| Median Income                      | \$4,671        | \$56,050      | \$224,200                                                 | \$487,560                                 | -\$254,360                                            | \$274,863                              | -\$50,663                                              |
| Moderate Income                    | \$5,608        | \$67,300      | \$269,200                                                 | \$487,560                                 | -\$209,360                                            | \$274,863                              | \$-5,663                                               |
| <b>Two Persons</b>                 |                |               |                                                           |                                           |                                                       |                                        |                                                        |
| Extremely Low Income               | \$1,871        | \$22,450      | \$89,800                                                  | \$487,560                                 | -\$388,760                                            | \$274,863                              | -\$185,063                                             |
| Very Low Income                    | \$2,671        | \$32,050      | \$128,200                                                 | \$487,560                                 | -\$350,360                                            | \$274,863                              | -\$146,663                                             |
| Low Income                         | \$4,271        | \$51,250      | \$205,000                                                 | \$487,560                                 | -\$273,560                                            | \$274,863                              | -\$69,863                                              |
| Median Income                      | \$5,342        | \$64,100      | \$256,400                                                 | \$487,560                                 | -\$222,160                                            | \$274,863                              | -\$18,463                                              |
| Moderate Income                    | \$6,408        | \$76,900      | \$307,600                                                 | \$487,560                                 | -\$170,960                                            | \$274,863                              | \$32,737                                               |
| <b>Four Persons</b>                |                |               |                                                           |                                           |                                                       |                                        |                                                        |
| Extremely Low Income               | \$2,338        | \$28,050      | \$112,200                                                 | \$487,560                                 | -\$366,360                                            | \$274,863                              | -\$162,663                                             |
| Very Low Income                    | \$3,338        | \$40,050      | \$160,200                                                 | \$487,560                                 | -\$318,360                                            | \$274,863                              | -\$114,663                                             |
| Low Income                         | \$5,342        | \$64,100      | \$256,400                                                 | \$487,560                                 | -\$222,160                                            | \$274,863                              | -\$18,463                                              |
| Median Income                      | \$6,675        | \$80,100      | \$320,400                                                 | \$487,560                                 | -\$158,160                                            | \$274,863                              | \$45,537                                               |
| Moderate Income                    | \$8,008        | \$96,100      | \$384,400                                                 | \$487,560                                 | -\$94,160                                             | \$274,863                              | \$109,537                                              |

Source: Baird + Driskell/Community Planning, RealFacts, Inc., 2001

Given the household income trends and housing cost trends discussed previously, it is reasonable to conclude that the incidence of overpayment for very low, low and moderate income households may increase in the future. It should be noted as well that owners are given tax breaks for mortgage interest payments while renters are not. In fact, by far the largest (and often least recognized) federal housing subsidy is for mortgage deductions.

However, while the market prices for single family homes are out of reach for many people who work in Novato, and even for those who currently reside in Novato, it can be concluded that while low and very low income households do not earn a sufficient income to qualify for a mortgage, two-person households at the higher end of moderate income (earning between \$70,000-\$75,000 per year) can afford to purchase the median priced townhome or condominium. In addition, just about all market rate rental housing is affordable at the moderate income level. Since lower priced market rate *for-sale* townhomes/condominiums are affordable at the higher end of moderate income, and most market rate *rental* housing is affordable across the entire range of moderate income, it can be concluded that new housing of this type and tenure can provide a portion of the City's moderate income housing need.



HO Table 5

Estimate of the Ability to Pay for Rental Housing in Novato (2001)

| Household Size and<br>Income Category | Monthly<br>Income | Rent @ 30%<br>of Monthly<br>Income | Expected<br>Unit Size | Average Rent<br>(Oct-Dec<br>2000)<br>for the Smaller<br>Unit | Ability to<br>Pay "Gap" for<br>Smaller Unit | Average Rent<br>(Oct-Dec 2000)<br>for the Larger<br>Unit | Ability to<br>Pay "Gap" for<br>Larger Unit |
|---------------------------------------|-------------------|------------------------------------|-----------------------|--------------------------------------------------------------|---------------------------------------------|----------------------------------------------------------|--------------------------------------------|
| <b>Single Person</b>                  |                   |                                    |                       |                                                              |                                             |                                                          |                                            |
| Extremely Low<br>Income               | \$1,638           | \$491                              | 0-1 BR                | \$882                                                        | -\$391                                      | \$1,157                                                  | -\$666                                     |
| Very Low Income                       | \$2,338           | \$701                              | 0-1 BR                | \$882                                                        | -\$181                                      | \$1,157                                                  | -\$456                                     |
| Low Income                            | \$3,738           | \$1,121                            | 0-1 BR                | \$882                                                        | \$239                                       | \$1,157                                                  | -\$36                                      |
| Median Income                         | \$4,671           | \$1,401                            | 0-1 BR                | \$882                                                        | \$519                                       | \$1,157                                                  | \$244                                      |
| Moderate Income                       | \$5,608           | \$1,683                            | 0-1 BR                | \$882                                                        | \$801                                       | \$1,157                                                  | \$526                                      |
| <b>Two Persons</b>                    |                   |                                    |                       |                                                              |                                             |                                                          |                                            |
| Extremely Low<br>Income               | \$1,871           | \$561                              | 1-2 BR                | \$1,157                                                      | -\$596                                      | \$1,401                                                  | -\$840                                     |
| Very Low Income                       | \$2,671           | \$801                              | 1-2 BR                | \$1,157                                                      | -\$356                                      | \$1,401                                                  | -\$600                                     |
| Low Income                            | \$4,271           | \$1,281                            | 1-2 BR                | \$1,157                                                      | \$124                                       | \$1,401                                                  | -\$120                                     |
| Median Income                         | \$5,342           | \$1,603                            | 1-2 BR                | \$1,157                                                      | \$446                                       | \$1,401                                                  | \$202                                      |
| Moderate Income                       | \$6,408           | \$1,923                            | 1-2 BR                | \$1,157                                                      | \$766                                       | \$1,401                                                  | \$522                                      |
| <b>Four Persons</b>                   |                   |                                    |                       |                                                              |                                             |                                                          |                                            |
| Extremely Low<br>Income               | \$2,338           | \$701                              | 2-3 BR                | \$1,401                                                      | -\$700                                      | \$1,689                                                  | -\$988                                     |
| Very Low Income                       | \$3,338           | \$1,001                            | 2-3 BR                | \$1,401                                                      | -\$400                                      | \$1,689                                                  | -\$688                                     |
| Low Income                            | \$5,342           | \$1,603                            | 2-3 BR                | \$1,401                                                      | \$202                                       | \$1,689                                                  | -\$87                                      |
| Median Income                         | \$6,675           | \$2,003                            | 2-3 BR                | \$1,401                                                      | \$602                                       | \$1,689                                                  | \$314                                      |
| Moderate Income                       | \$8,008           | \$2,403                            | 2-3 BR                | \$1,401                                                      | \$1,002                                     | \$1,689                                                  | \$714                                      |

Source: Baird + Driskell/Community Planning, RealFacts, Inc., 2001

## Special Housing Needs

### Overview

In addition to overall housing needs, the City must plan for housing for special need groups. To meet the community's special housing needs (including the needs of the local workforce, seniors, people living with disabilities, farmworkers, the homeless, people with HIV/AIDS and other illnesses, people in need of mental health care, single parent families, single with no children, and large households), Novato must be creative and look to new ways of increasing the supply, diversity and affordability of this specialized housing stock. Special needs housing stock is 54.7 percent of all the established deed restricted affordable housing units throughout Marin County. If all the units in the pipeline are constructed, the total affordable housing stock would increase by 49 percent.

There is a range along a continuum of housing for special needs, beginning with independent living (owning or renting), to assisted living (licensed facilities), to supportive housing, transitional housing, and finally emergency shelter. Further, the vast majority of special needs housing is service enriched. In other words, services are offered to residents to help them maintain independent living as long as possible. The discussion which follows in this section of the Housing



Element analyzes special housing needs. Below is a summary breakdown of special needs households in Novato based on the 2000 U.S. Census.

HO Table 6

**Summary of Special Needs Households**

|                                                              | Owner<br>Households | Renter<br>Households | Total<br>Households<br>or Persons |
|--------------------------------------------------------------|---------------------|----------------------|-----------------------------------|
| <i>Households</i>                                            |                     |                      |                                   |
| Overcrowded Households                                       | 772                 | 200                  | 972                               |
| Senior Households                                            | 3,029               | 751                  | 3,780                             |
| Female Headed Households                                     | 2,323               | 968                  | 3,291                             |
| Large Households                                             | 920                 | 697                  | 1,617                             |
| <i>Persons</i>                                               |                     |                      |                                   |
| Persons Living with Disabilities                             |                     |                      | 7,409                             |
| Novato's "Share" of Estimated Countywide Homeless Population |                     |                      | 643                               |

Source: U.S. Census, 2000; Marin Continuum of Housing and Services (2001)

The Marin Housing Authority administers Section 8 Payment Program certificates that house 4,917 people (in 1,859 units). The waiting list for the Section 8 Program can be as long as five years due to the number of individuals and families who are in need of subsidized housing. The Shelter Plus Care Program provides 65 rental subsidies linked with supportive services to 78 individuals who are homeless with a mental health disability. Lastly, there are 98 rental subsidies for 114 people living with HIV/AIDS that are served through the Housing Opportunities for People With Aids Programs (HOPWA). Additional programs offer services to specific special needs populations housed through Marin Housing Authority which assist tenants in maintaining their housing. These programs target services to frail seniors, families to become self-sufficient, and at risk populations with a substance abuse and or mental health disability.

HO Table 7

**Programs Administered by Marin Housing (2000)**

| Type of Housing Program                            | Novato | Countywide |
|----------------------------------------------------|--------|------------|
| Section 8 Rental Assistance                        | 486    | 1,859      |
| Conventional Public Housing                        | 40     | 496        |
| MHA-Owned Rental Housing                           | 0      | 83         |
| Rebate for Marin Renters                           | 7      | 64         |
| Mortgage Credit Certificates                       | 83     | 268        |
| Residential Rehabilitation Loans                   | 48     | 533        |
| Shelter Plus Care                                  | 21     | 65         |
| Housing Assistline                                 | 480    | 2,174      |
| Housing Opportunities for People with AIDS (HOPWA) | 20     | 114        |
| Rental Deposit Guarantees                          | 19     | 91         |

*Note: These figures do not include all subsidized units in Marin County as many projects are owned and/or managed by nonprofit organizations.*

Source: Marin County Housing Authority, April 2000

Additional evidence of need is illustrated by the waiting list for the Section 8 Program, which the Marin Housing Authority opened in Spring 2000 with the following results: (1) 2,486 households submitted applications; (2) 1,715 or 68 percent live or work in Marin County; (3) 512 households or 18.2 percent were from Novato; (4) in Marin County, half of the applications were from families, one-quarter from disabled/handicapped, one-tenth from elderly households, and one-ninth from



single person households; and (5) 60 percent of the applications were from non-Hispanic/Caucasian families, 26 percent from African American families, 14 percent from Hispanic families, 9 percent from Asian families, and 1 percent from Native American families.

## **Seniors**

Senior households can be defined, in part, by the age distribution and demographic projections of a community's population. This identifies the maximum need for senior housing. Particular needs, such as the need for smaller and more efficient housing, for barrier-free and accessible housing, and for a wide variety of housing with health care and/or personal services should be addressed, as should providing a continuum of care as elderly households become less self-reliant. There is a dramatic increase in dementia as people reach 75 years of age, and there is a significant need in Marin for dementia facilities or opportunities for seniors to remain with their family, such as in a "granny" or "in-law" second unit. There is also a need for housing where an "in-home" care-giver can reside.

The 2000 U.S. Census reported 3,780 senior households in Novato, comprising 20 percent of all households. Of these, 3,029 senior households are owner occupied (80 percent) and 751 are renter occupied (20 percent).

With the overall aging of society, as described earlier in the Housing Element, the senior population (persons over 65 years of age) will increase in most communities. Consequently, the need for affordable and specialized housing for older residents will grow. Typical housing to meet the needs of seniors include smaller attached or detached housing for independent living (both market rate and below market rate); second units; shared housing; age-restricted subsidized rental developments; congregate care facilities; licensed facilities; and skilled nursing homes.

The increasing longevity of people and the increasing number of seniors in the population in Marin County will create additional need for affordable housing and specialized housing for older residents. This has the following implications:

- (1) Marin has a limited supply of vacant residential land. Senior projects would compete with non-age-restricted housing for this land, and additional housing for area workers and families is an important need.
- (2) Senior households on fixed incomes have limited resources for home improvements to maintain or rehabilitate older housing.
- (3) Many seniors can become "trapped" in large houses due to upkeep expenditures and house payment increases that would result from moving into a smaller housing unit.



HO Table 8

Number of Households Headed by Seniors (2000)  
(Householder Age 65 or More)

|                |         | Renter<br>Households | Owner<br>Households | Total Senior<br>Households |
|----------------|---------|----------------------|---------------------|----------------------------|
| Belvedere      |         | 90                   | 297                 | 387                        |
|                | Percent | 23%                  | 77%                 | 40%                        |
| Corte Madera   |         | 63                   | 752                 | 815                        |
|                | Percent | 8%                   | 92%                 | 22%                        |
| Fairfax        |         | 121                  | 379                 | 500                        |
|                | Percent | 24%                  | 76%                 | 15%                        |
| Larkspur       |         | 666                  | 974                 | 1,640                      |
|                | Percent | 41%                  | 59%                 | 27%                        |
| Mill Valley    |         | 431                  | 1,040               | 1,471                      |
|                | Percent | 29%                  | 71%                 | 24%                        |
| Novato         |         | 751                  | 3,029               | 3,780                      |
|                | Percent | 20%                  | 80%                 | 20%                        |
| Ross           |         | 6                    | 179                 | 185                        |
|                | Percent | 3%                   | 97%                 | 24%                        |
| San Anselmo    |         | 129                  | 803                 | 932                        |
|                | Percent | 14%                  | 86%                 | 18%                        |
| San Rafael     |         | 1,100                | 3,892               | 4,992                      |
|                | Percent | 22%                  | 78%                 | 22%                        |
| Sausalito      |         | 148                  | 509                 | 657                        |
|                | Percent | 23%                  | 77%                 | 15%                        |
| Tiburon        |         | 170                  | 768                 | 938                        |
|                | Percent | 18%                  | 82%                 | 25%                        |
| Unincorporated |         | 771                  | 4,538               | 5,309                      |
|                | Percent | 15%                  | 85%                 | 21%                        |
| Total County   |         | 4,446                | 17,160              | 21,606                     |
|                | Percent | 21%                  | 79%                 | 21%                        |

Total senior households percentage is the percentage of ALL households

Source: U.S. Census, 2000

HO Table 9

Number of Large Households (2000)  
(Households with Five or More Persons)

|                |         | Renter<br>Households | Owner<br>Households | Total Large<br>Households |
|----------------|---------|----------------------|---------------------|---------------------------|
| Belvedere      |         | 10                   | 33                  | 43                        |
|                | Percent | 28%                  | 77%                 | 4%                        |
| Corte Madera   |         | 50                   | 176                 | 226                       |
|                | Percent | 22%                  | 78%                 | 6%                        |
| Fairfax        |         | 32                   | 87                  | 119                       |
|                | Percent | 27%                  | 73%                 | 4%                        |
| Larkspur       |         | 42                   | 144                 | 186                       |
|                | Percent | 23%                  | 77%                 | 3%                        |
| Mill Valley    |         | 68                   | 208                 | 276                       |
|                | Percent | 25%                  | 75%                 | 4%                        |
| Novato         |         | 697                  | 920                 | 1,617                     |
|                | Percent | 43%                  | 57%                 | 9%                        |
| Ross           |         | 14                   | 103                 | 117                       |
|                | Percent | 12%                  | 88%                 | 15%                       |
| San Anselmo    |         | 30                   | 184                 | 214                       |
|                | Percent | 14%                  | 86%                 | 4%                        |
| San Rafael     |         | 1,471                | 637                 | 2,108                     |
|                | Percent | 70%                  | 30%                 | 9%                        |
| Sausalito      |         | 4                    | 24                  | 28                        |
|                | Percent | 14%                  | 86%                 | 9%                        |
| Tiburon        |         | 43                   | 170                 | 213                       |
|                | Percent | 20%                  | 80%                 | 6%                        |
| Unincorporated |         | 447                  | 1,231               | 1,678                     |
|                | Percent | 27%                  | 73%                 | 7%                        |
| Total County   |         | 2,908                | 3,917               | 6,825                     |
|                | Percent | 43%                  | 57%                 | 7%                        |

Total senior households percentage is the percentage of ALL households

Source: U.S. Census, 2000

Most of the licensed facilities in Marin will no longer take low and very low income seniors. Average basic rent is currently about \$3,500 per month for a single bed (room, bathroom, and three meals/day). For a couple, the costs are greater. Additional personal care is another cost above the basic charge. There are currently about 400 units of senior market rate assisted living facilities in the pipeline in Marin County that have been approved. The Marin County Public Guardian's Office must place very frail and very low income seniors in other counties due to the lack of availability of affordable assisted living in Marin County. Thus, the lack of very low income beds in Marin has also resulted in high cost expenditures by Marin County Department of Health and Human Services for out of county placements. With the exception of Novato, these facilities have been zoned and classified as commercial developments and have not been required to provide inclusionary housing units or beds. Novato's ordinance on residential care facilities for the elderly requires projects of 10 or more units (beds) to set aside a minimum of 10 percent of the units (beds) for persons of low and very low income.

Many supportive housing developments for the elderly have been built using HUD's Section 202 and 202/8 programs, which provide direct loan financing. Non-profit organizations have been instrumental in obtaining the resources to construct and operate the developments, but housing authorities and for-profit developers are also potential development project sponsors.

### People Living with Physical and Mental Disabilities

People with disabilities represent a wide range of different housing needs, depending on the type and severity of their disability as well as personal preference and lifestyle. The design of housing, accessibility modifications, proximity to services and transit, and group living opportunities represent some of the types of considerations and accommodations that are important in serving this need group. Incorporating barrier-free design in all new multifamily housing is especially important to provide the widest range of choice. Doing so is also required by the California and



federal Fair Housing laws. Special consideration should also be given to the issue of income and affordability, as many people with disabilities may be in fixed income situations.

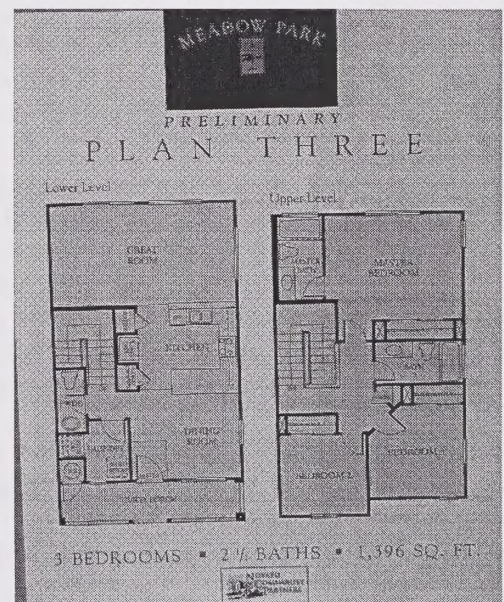
The 2000 U.S. Census reported 5,481 individuals age 5-64 with a disability, accounting for 14 percent of the population. Approximately 34 percent of people aged 21-64 are not employed. In addition, there are 1,928 disabled seniors in Novato, comprising 35 percent of people over age 65. Overall, 7,409 individuals, or 16 percent of Novato's total population, are identified as disabled."

Chapter 671, Statutes of 2001 (Senate Bill 520) requires localities to analyze potential and actual constraints upon the development, maintenance and improvement of housing for persons with disabilities and to demonstrate local efforts to remove governmental constraints that hinder the locality from meeting the need for housing for persons with disabilities. In Novato, persons living with disabilities may seek exceptions to the standards from the Community Development Director or the Housing Code Appeals Board. Senior developments, projects for persons with disabilities and residential care facilities can be provided with exceptions to parking and other standards, depending on project specific analysis. The City's zoning ordinance and other policies support require ADA compliance through the Uniform Building Code. The Housing Element contains a program to commit to developing public information handouts concerning accommodations for persons with disabilities and/or ADA compliance.

The City has reviewed all of its zoning laws, policies and practices for compliance with fair housing laws. Novato provides reasonable accommodation for persons with disabilities with respect to zoning, permit processing and building laws, and makes this information available to the public. The City does not restrict the siting of group homes nor require a minimum distance between group homes. Group homes with 6 or fewer occupants are permitted by right in single family homes, and the City does not have any occupancy standards in the zoning code that apply specifically to unrelated adults. Group homes with over 6 persons are allowed in all residential districts with a Use Permit. The approval process for a Use Permit for a group home is the same as for any other residential development and requires public notice and approval by the zoning administrator or a public hearing and approval by the Planning Commission.

Administrative review of requirements for exceptions to zoning standards is provided. Novato allows a reduction in required on-site parking if it is to accommodate ADA accessibility facilities (ramps, etc.) and offers reduced parking standards for senior housing developments. Reduced parking for any development, including housing for the disabled, is allowed wherever reduced need can be demonstrated. The Building Division administers Title 24 provisions consistently for all disabilities-related construction and responds to complaints regarding any violations.

*Example floorplan at Meadow Park (formerly Capehart/Hillside) currently under construction.*





People with disabilities living on fixed incomes desire a wide range of different housing, depending on the type and severity of their disability as well as personal preference and lifestyle. Housing designed "barrier-free," with accessibility modifications, on-site services, mixed income diversity, proximity to services and transit, and group living opportunities represent some of the types of considerations and accommodations that are important in serving this need group.

As the population ages, handicapped accessible housing will become even more in need. Consideration can be given to handicapped dwelling conversion (or adaptability) and appropriate site design. Buckelew, Allegria, MARC and the Marin Center for Independent Living serve people living with disabilities. The Marin Center for Independent Living, for example, serves approximately 4,000 people a year throughout Marin County. Most of their clients live under the poverty level, and their average client earns about \$7,200 a year.

### **Single Parent and Female-Headed Households**

Female-headed households need affordable housing with day care and recreation programs on-site or nearby, in proximity to schools and with access to services. Households with female heads, like large households, may have difficulty in finding appropriate-sized housing. Despite fair housing laws, discrimination against children may make it more difficult for this group to find adequate housing. Women in the housing market, especially the elderly, low and moderate income individuals, and single-parents, face significant difficulties finding housing, and both ownership and rental units are extremely expensive relative to the incomes of many people in this population category.

According to the 2000 U.S. Census there are 3,291 households headed by a female in Novato, accounting for 17.8 percent of all households in the city. Of these households, 2,323 female heads of household are owners and 968 are renters.

### **Large Families**

Large households, defined as households with five or more persons, have special housing needs. Large households tend to have difficulties purchasing housing because large housing units are rarely affordable and rental units with three or more bedrooms are not common in many communities. It is likely that there is a shortage of larger affordable units, which continues to be a factor in Novato and Marin County as a whole today, especially the lack of larger rental units. This assumption is further supported by indicators related to overcrowded housing, since large families typically represent a significant portion of the population living in overcrowded housing conditions.

According to the 2000 U.S. Census there are 1,617 large households in Novato, accounting for 8.7 percent of all households in the city. Of these households, 920 large households are owner occupied (7.4 percent of owner units) and 697 are renter occupied (11.6 percent of renter units).

### **Farmworkers**

State law requires that housing elements evaluate the needs of farmworker housing in the local jurisdiction. Although ABAG did not assess the regional need for additional farmworker housing in the Bay Area. Most if not all Novato residents employed in farming occupations are employed in wholesale and horticulture businesses and there are no localized needs for seasonal or other types of farmworker housing. There was no migrant worker housing identified in Novato in the 1990 Census. (*The 1990 Census reported only 17 housing units in the entire county to be for*



*migrant farm workers*). The 2000 U.S. Census reported 14 individuals employed in farming, fishing, and forestry occupations residing in Novato.

### **Individuals and Families Who Are Homeless**

Homeless individuals and families have perhaps the most immediate housing need of any group. They also have one of the most difficult sets of housing needs to meet, due to the transient nature of the population and both the diversity and complexity of the factors that lead to homelessness. Community opposition to the siting of housing that serve homeless clients is also a potential impediment.

The Novato Human Needs Center's "Housing Assistance Program" provides emergency rental assistance and short-term rent subsidies for the prevention of the homelessness in Novato, as well as the collaboration between this program and the Marin Housing Authority's "Rebate for Renters Program" (for Novato residents only). The City contributes annually \$105,000 to the Novato Human Needs Center for their homelessness prevention programs which includes an allocation of \$10,000 to the "Rebate for Renters Program." These funds are used, in conjunction with private donations and grants, to provide rental/deposit assistance and housing advocacy to individuals and families in need in the City of Novato. In the first nine months of Fiscal Year 2000/2001 NHNC provided rental assistance to 204 households, representing 82 percent of the target of 250 households for Fiscal Year 2000/2001.

Based on discussions with Homeward Bound, the homeless population (persons either homeless or at imminent risk of homeless) is growing countywide. In 2002, the Novato Human Needs Center (NHNC) provided services for the following groups of people: 32 households (families or individuals) who were living in emergency shelter or in a hotel/motel; 66 households on the street or living in their car or camping; 13 households in transitional housing; and, 155 staying temporarily with family or friends (defined as "at immediate risk of homelessness"). The NHNC reported that most, if not all, of the these persons are from Novato.

Homeless people face the ultimate housing deprivation. The homeless population in California is estimated at approximately one percent of the State's total population. About a third consist of homeless families. Homeless circumstances vary considerably. Homelessness and near-homelessness is an important countywide concern. The key findings of a 2001 report prepared by the Marin Continuum of Housing and Services (a collaboration of over twenty Marin organizations providing housing and related services) were as follows:

- (1) Nearly 7 percent of Marin County households live below the poverty level and about one-quarter of the people living below poverty are children.
- (2) Approximately 3.5 percent of Marin's population was either homeless or in imminent risk of becoming homeless at some point in 2001.
- (3) 1,909 households comprising 2,885 people were homeless in Marin at some point in 2001, with 689 of those being children (24 percent).
- (4) 2,413 households comprising 5,768 people were at imminent risk of losing their housing during 2001.
- (5) Over one-third of homeless and at-risk households were families with children.



- (6) 30 percent of the homeless and at-risk households were working families. Household incomes averaged \$922 per month (16 percent of the median income).
- (7) 3,051 Marin children were either homeless or at imminent risk of homelessness in 2001.



**Meadow Park Site Plan (Hamilton)**

708 affordable homes in total (351 for sale townhomes; 297 apartments; 60 transitional housing units)

Although homelessness is a countywide issue and the population is transient, it is difficult to estimate an exact number of homeless persons in Novato. The most reasonable way to approximate Novato's homeless population is to ascertain the City's "share" based upon its proportional population (22.28 percent of the County's population). Thus, Novato's "share" of the homeless population is estimated to number 425 households comprising 643 individuals.

In addition to the continuing work of the Novato Human Needs Center and the facilities at Hamilton, the following are strategies for the City to participate in addressing the needs of people at risk of homelessness in the county: (1) provide more affordable housing; (2) provide opportunities for second units; and (3) provide additional financial support to homeless service providers. The City should continue to participate in local and countywide programs such as the New Beginnings Center to provide for a continuum of care for the homeless including emergency shelters, transitional housing, supportive housing and permanent housing.

The Novato Zoning Ordinance does not establish impediments to the construction of homeless shelters, and the New Beginnings Center, an 80-bed facility with jobs training and other services, is an example. Although homeless shelters are not specifically identified in the Zoning Ordinance, under current zoning, a shelter could be allowed in areas zoned for office or commercial uses with a Use Permit. There are adequate vacant and underutilized sites within the office and commercial zoning designation, which have good access, services, and public facilities appropriate for locating an emergency shelter facility.

Under a Use Permit, the City can apply standards for homeless shelters as conditions of approval addressing a variety of issues related to: (1) exterior design (such as landscaping, lighting and parking); (2) interior features (such as safes, laundry, and shower facilities); and (3) shelter operations (such as house rules or shelter operation).

### **"At Risk" Housing**

Government Code Section 65583 requires each city and county to conduct an analysis and identify programs for preserving assisted housing developments. The analysis is required to identify any low income units which are at risk of losing subsidies over the next 10 years. The City of Novato does not have any expiring "at-risk" projects during the 10-year time frame according to information from HUD.

Based on a study in 2001 conducted by Barbara Collins, Marin County Affordable Housing Strategist, there are 3,226 deed restricted affordable housing units currently in Marin County. There are an additional 1,597 proposed units in various stages of the development process. Of



those, 945 are planned for the City of Novato, with most of those units incorporated into the Hamilton Reuse Plan now under construction.

For planning purposes, deed restrictions for 33.1 percent of the established affordable housing stock will expire in the next 15 years. Countywide, developments which are "at risk" of expiring through to the year 2006 contain 825 units eligible to convert to market rate units based on funding restrictions, with some exceptions. Of the 825 units, 58 units are designated in the Below Market Rate program managed by Marin Housing Authority, and are generally restricted permanently with a slight cost increase to cover resale or legal expenses. The City of Novato manages the contracts and resale controls for its BMR units. Beginning in the year 2007 through 2012 there will be 266 units "at risk" of converting to market rate in Marin County. Of these, 91 are BMR units subject to resale controls.

Program actions to preserve "at risk" units include working with the property owners and/or other parties to ensure that they are conserved as part of the City's affordable housing stock. A key component of the actions will be to identify funding sources and timelines for action, as described in the programs section. All of the developments identified below are located in Novato and are managed by a non-profit. They will remain affordable in the long-term.

- (1) **Marion Park Apartments** (2005) — 168 family housing units with 34 at below market rate, developed by Novato Ecumenical Housing (NEH) and Ecumenical Association for Housing (EAH)
- (2) **Mackey Terrace** (2012) — All 49 senior/disabled housing units at below market rate, developed by EAH
- (3) **MARC Hamilton House/Stonehaven** (2012) — All 6 developmentally disabled housing units at below market rate, developed by Marin Association of Retarded Citizens (MARC).
- (4) **Marin Handicapped Housing 5** (2011) — All 18 developmentally disabled housing units at below market rate, developed by Marin Handicapped Housing.

## Evaluation of the Current Housing Element

### Overview

From an overall standpoint, the goals, objectives, policies and programs in the current Housing Element have been very successful in a number of areas. The City adopted a new Zoning Ordinance in April 2001, which implements a number of the programs identified in the current Housing Element, including standards for second units, mixed use development standards, and procedures and mechanisms for affordable housing (Affordable Housing Ordinance). The table below shows the breakdown of housing units by need group which have been built or approved since January 1999.



HO Table 10

Summary of Need Groups Met by Housing Developments Built or Approved in Novato (1999-2002)

|                                       | Very<br>Low<br>Income | Low<br>Income | Moderate<br>Income | Number of<br>Affordable<br>Units | Percent<br>Affordable<br>Units | Above<br>Moderate<br>Income | Total | Percent<br>of Total<br>Units |
|---------------------------------------|-----------------------|---------------|--------------------|----------------------------------|--------------------------------|-----------------------------|-------|------------------------------|
| Regional "Fair Share" Housing Need    | 476                   | 242           | 734                | 1,452                            | 56.2%                          | 1,130                       | 2,582 | n/a                          |
| Senior Ownership                      | 0                     | 0             | 100                | 100                              | 7.9%                           | 0                           | 100   | 4.1%                         |
| Senior Rental                         | 40                    | 130           | 0                  | 170                              | 13.5%                          | 0                           | 170   | 7.0%                         |
| Family/Workforce Rental               | 155                   | 206           | 109                | 470                              | 37.4%                          | 0                           | 470   | 19.4%                        |
| Family/Workforce Ownership            | 0                     | 176           | 274                | 450                              | 35.8%                          | 1,307                       | 1,757 | 72.6%                        |
| Transitional Housing                  | 60                    | 0             | 0                  | 60                               | 4.8%                           | 0                           | 60    | 2.5%                         |
| Assisted Living for Seniors           | 0                     | 8             | 0                  | 8                                | 0.6%                           | 72                          | 80    | 3.3%                         |
| Total Housing Units Built or Approved | 255                   | 520           | 483                | 1,258                            | 100.0%                         | 1,379                       | 2,637 | 109.0%                       |

Source: City of Novato Community Development Department

Following is a description of specific accomplishments by the City over the past several years. A more detailed description of current Housing Element program accomplishments is included in Appendix A.

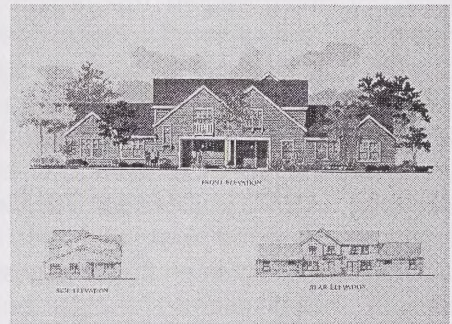
### Summary of Accomplishments

- (1) **Hamilton Reuse Final Affordable Housing Plan.** In 1995, the Hamilton Reuse Plan was approved by the Hamilton Reuse Authority and the City Council. After approval of the Reuse Plan, the City entered into negotiations with the Navy regarding the purchase of the property. During this negotiation period, the City formed the Hamilton Redevelopment Area and the Reuse Plan was adopted as both the Redevelopment Plan and the Master Plan for the area. On December 13, 1999, the City entered into a Development Agreement providing for the development of a significant portion of the Hamilton Property (Policy 7 and Program 7.1). Just in Fiscal Year 2000/2001, the City approved entitlements for 648 affordable units in Meadow Park. Although actual construction of entitled units has not been completed, the initial construction phases of the Meadow Park housing project at Hamilton Field have begun. This particular project includes the construction of 473 units for households meeting low and very-low income criteria, and 175 units for households meeting moderate income criteria.
- (2) **Transitional Housing Coordination Plan.** Also as part of Hamilton reuse the Novato Public Finance Authority (NPFA) entered into an agreement with the Marin Continuum of Housing and Services for the development of 60 transitional housing units on lots owned by the NPFA. This plan has also been funded in part by the Marin Community Foundation, Community Development Block Grant (CDBG), and a portion of the cost-recovery program funded by the developer.
- (3) **Nova-Ro III (Atherton Ranch)** — a 40-unit affordable senior apartment complex, with all 40 units affordable to very low households.
- (4) **The Villas (Hamilton Senior Affordable Apartments)** — a 130-unit affordable senior apartment complex formerly known as the Bachelor Officer's Quarters (BOQ's), with all units affordable to low income households.



- (5) **Pointe Marin (Rafael Village)** — 440 units in total, with 344 market rate detached single family homes and 100 condominiums for persons 55 years of age or older, with 67 of those units deed restricted for moderate income seniors.
- (6) **Novato Affordable Housing Ordinance.** The City Council adopted an Affordable Housing Ordinance in February, 1999. This ordinance applies to all residential construction of one or more units and requires a developer to provide up to 15 percent of the total units as affordable within the low or very-low income categories or up to 15 percent of the lots in the case of subdivisions. For rental projects, 10 percent of the units are required to be affordable. In-lieu fees may be paid instead of constructing affordable units at the option of the developer. The ordinance also provides density bonuses in accordance with Government Code Section 65915.

The City offers incentives for the development of lower-income housing units, including density bonus, fee waivers, use of housing funds, reduced parking standards for senior housing and developments near transit, and fast-track processing. The City's inclusionary requirements are similar to those of many other communities in the Bay Area and Marin County that have been implementing effective inclusionary housing requirements, and does not represent a potential governmental constraint on the development of new market rate or below market rate housing, as developers have continued to apply for and construct new units in Novato.



**Townhome (Hamilton)**

*Example rendering of an affordable townhome at Meadow Park (formerly Capehart/Hillside) currently under construction.*

- (7) **Up-to-Date Housing Data.** As reflected in the projects described above, the City is committed to implementation of the Housing Element policies and programs in a timely manner through active leadership and involvement. To improve public access to housing activity in the community, the City's Community Development Department created a Residential Development Map in January 2001. The Residential Development Map, to be updated annually, will track current housing development throughout the City. Relevant documents for the Hamilton projects, Zoning Ordinance, General Plan and other information are available on the City's website at <http://www.ci.novato.ca.us>.

Since January 1999, several other projects would also provide affordable units to meet the City's affordable housing need. These projects include: Goodrich Apartments (one affordable senior apartment), and the Terraces Senior Assisted Living (eight affordable senior assisted living units, four of which would be private units rented to persons earning up to 80 percent of the Marin County median income and four of which would be shared/companion units for persons earning up to 60 percent of the median income). In addition, five accessory dwelling units (second units) have been approved which would be expected to be affordable to smaller very low and moderate income households.

Other residential projects that do not propose to build affordable units are required to pay an in-lieu affordable housing fee at the time of building permit issuance. The in-lieu affordable housing fee is used to develop affordable housing for low and very low income households in the City of



Novato. These in-lieu fees must be paid prior to issuance of the first building permit for the project and will be used by the City or its designee for the purpose of developing affordable housing elsewhere in the City for low and very-low income households. The in-lieu affordable housing fee was adopted in February of 1999. The in-lieu fee is currently set at \$3,364.00 per unit and is annually adjusted to reflect changes in the Consumer Price Index. Unless waived, the fee is required to be paid by all new units in Novato.

## Housing Opportunities Analysis

### ABAG Regional Housing Needs Determinations

One unique aspect of State Housing Element law is the idea of “regional fair share.” Every city and county in the State of California has a legal obligation to respond to its “fair share” of the projected future housing need in the region in which it is located. For Novato and other Bay Area jurisdictions, the regional housing need is determined by the Association of Bay Area Governments (ABAG), based upon an overall regional housing need number established by the State. In accordance with State law, ABAG has determined the fair share of the regional housing need that must be planned for by each jurisdiction during the 1999 to 2006 planning period. That need is divided into the four income categories of housing affordability described below (in accordance with State law). ABAG’s allocations are based on analysis of:

- The vacancy rate in each city and the existing need for housing it implies;
- The projected growth in the number of households;
- The local and regional distribution of income; and
- The need for housing generated by local job growth.

The table below summarizes the housing need determinations for all of the jurisdictions in Marin County. Novato’s “fair share” of the regional housing need is a total of 2,582 units between January, 1999 and June, 2006, with the following income breakdown: 476 units affordable to *very low income* households (18.4 percent of the total); 242 units affordable to *low income* households (9.4 percent of the total); 734 units affordable to *moderate income* households (28.4 percent of the total); and 1,130 units affordable to *above moderate income* households (43.8 percent of the total). Novato’s previous 5-year housing needs were 67 percent greater than the current housing unit need number.



**ABAG Housing Needs Determinations in Marin County (January 1999 to June 2006)**

| Location                  | Very Low     | Percent Need | Low        | Percent Need | Moderate     | Percent Need | Above Moderate | Percent Need | Total Need   | Percent of County |
|---------------------------|--------------|--------------|------------|--------------|--------------|--------------|----------------|--------------|--------------|-------------------|
| Belvedere                 | 1            | 10.0%        | 1          | 10.0%        | 2            | 20.0%        | 6              | 60.0%        | 10           | 0.2%              |
| Corte Madera              | 29           | 16.2%        | 17         | 9.5%         | 46           | 25.7%        | 87             | 48.6%        | 179          | 2.7%              |
| Fairfax                   | 12           | 18.8%        | 7          | 10.9%        | 19           | 29.7%        | 26             | 40.6%        | 64           | 1.0%              |
| Larkspur                  | 56           | 18.5%        | 29         | 9.6%         | 85           | 28.1%        | 133            | 43.9%        | 303          | 4.7%              |
| Mill Valley               | 40           | 17.8%        | 21         | 9.3%         | 56           | 24.9%        | 108            | 48.0%        | 225          | 3.5%              |
| <b>Novato</b>             | <b>476</b>   | <b>18.4%</b> | <b>242</b> | <b>9.4%</b>  | <b>734</b>   | <b>28.4%</b> | <b>1,130</b>   | <b>43.8%</b> | <b>2,582</b> | <b>39.6%</b>      |
| Ross                      | 3            | 14.3%        | 2          | 9.5%         | 5            | 23.8%        | 11             | 52.4%        | 21           | 0.3%              |
| San Anselmo               | 32           | 21.5%        | 13         | 8.7%         | 39           | 26.2%        | 65             | 43.6%        | 149          | 2.3%              |
| San Rafael                | 445          | 21.3%        | 207        | 9.9%         | 562          | 26.9%        | 876            | 41.9%        | 2,090        | 32.1%             |
| Sausalito                 | 36           | 17.4%        | 17         | 8.2%         | 50           | 24.2%        | 104            | 50.2%        | 207          | 3.2%              |
| Tiburon                   | 26           | 15.9%        | 14         | 8.5%         | 32           | 19.5%        | 92             | 56.1%        | 164          | 2.5%              |
| Marin Unincorporated      | 85           | 16.3%        | 48         | 9.2%         | 96           | 18.4%        | 292            | 56.0%        | 521          | 8.0%              |
| <b>Marin County Total</b> | <b>1,241</b> | <b>19.0%</b> | <b>618</b> | <b>9.5%</b>  | <b>1,726</b> | <b>26.5%</b> | <b>2,930</b>   | <b>45.0%</b> | <b>6,515</b> | <b>100.0%</b>     |

Source: Association of Bay Area Governments, "Housing Needs Determinations," 2000

**Available Land and Ability to Meet the ABAG Needs**

Every Housing Element must demonstrate that the local jurisdiction has made adequate provision to support the development of housing at various income levels (very low, low, moderate and above moderate) to meet its "fair share" of the existing and projected regional housing need. Income limits are updated annually by the US Department of Housing and Urban Development (HUD) for each county. For many State and local programs, the State Department of Housing and Community Development (HCD) income eligibility limits are used. HCD income limits are similar to those used by HUD.

By way of comparison, it is currently estimated that 47 percent of all Novato households fall in the very low and low income category (as compared to housing need for the 1999-2006 time period of 27.8 percent of the units in those income categories). Information on household income by household size is maintained by the U.S. Department of Housing and Urban Development (HUD) for each county. The table below lists approved or built units from 1999-2001 by need group as defined in the ABAG Fair Share Housing Needs.

The following table provides a summary of the City's progress to date (since January, 1999) in meeting the 1999-2006 regional housing needs by income category. There are two perspectives from which to analyze the ABAG housing needs: (1) are there adequate units to meet the City's total housing needs? And (2) are there adequate units to meet the City's need for very low, low and moderate income housing? The table below demonstrates that the City has already provided 55 more units than its total housing need, as it has approved the construction of 2,673 homes to date; an excess of 55 homes.



HO Table 12

## Summary of Novato Accomplishments Compared to Regional Housing Need (1999-2002)

|                                            | Very Low Income | Low Income  | Moderate Income | Above Moderate Income | Total      |
|--------------------------------------------|-----------------|-------------|-----------------|-----------------------|------------|
| Regional "Fair Share" Housing Need         | 476             | 242         | 734             | 1,130                 | 2,582      |
| Housing Units Built or Approved Since 1/99 | 255             | 520         | 483             | 1,379                 | 2,637      |
| <b>Total Remaining Units Needed</b>        | <b>221</b>      | <b>-278</b> | <b>251</b>      | <b>-249</b>           | <b>-55</b> |

Source: City of Novato Community Development Department

HO Table 13

## Specific Housing Developments Built or Approved in Novato by Income Category (1999-2002)

|                                                  | Very Low Income | Low Income   | Moderate Income | Above Moderate Income | Total         |
|--------------------------------------------------|-----------------|--------------|-----------------|-----------------------|---------------|
| Other Market Rate SF Det/Att Homes (owner)*      | 0               | 0            | 99              | 630                   | 729           |
| Pointe Marin Market Rate SF Homes (owner)        | 0               | 0            | 0               | 344                   | 344           |
| Pointe Marin Condominiums (owner; seniors)*      | 0               | 0            | 100             | 0                     | 100           |
| Second Units (rental)*                           | 2               | 0            | 3               | 0                     | 5             |
| Meadow Park (affordable rental)                  | 153             | 141          | 3               | 0                     | 297           |
| Meadow Park (transitional housing)               | 60              | 0            | 0               | 0                     | 60            |
| Meadow Park (affordable owner)                   | 0               | 176          | 175             | 0                     | 351           |
| Goodrich Apartments (rental)*                    | 0               | 1            | 9               | 0                     | 10            |
| Nova-Ro III (rental; seniors)                    | 40              | 0            | 0               | 0                     | 40            |
| Villas (rental; seniors)                         | 0               | 130          | 0               | 0                     | 130           |
| Terraces Senior Assisted Living (rooms; seniors) | 0               | 8            | 0               | 72                    | 80            |
| Atherton Ranch Market Rate SF/TH (owner)         | 0               | 0            | 0               | 115                   | 115           |
| Tresch Galleria (rental)*                        | 0               | 0            | 4               | 0                     | 4             |
| Olive Ridge                                      | 0               | 0            | 0               | 18                    | 18            |
| Tamalpais Hill                                   | 0               | 0            | 0               | 23                    | 23            |
| Marion Heights                                   | 0               | 0            | 0               | 12                    | 12            |
| Rudnick Estates                                  | 0               | 0            | 0               | 24                    | 24            |
| Creekside (rental)*                              | 0               | 0            | 26              | 0                     | 26            |
| Buck Center for Research in Aging                | 0               | 64           | 64              | 0                     | 128           |
| Anderson Rowe                                    | 0               | 0            | 0               | 68                    | 68            |
| Woodview                                         | 0               | 0            | 0               | 20                    | 20            |
| Renaissance Estates                              | 0               | 0            | 0               | 53                    | 53            |
| <b>Total Housing Units Built or Approved</b>     | <b>255</b>      | <b>520</b>   | <b>483</b>      | <b>1,379</b>          | <b>2,637</b>  |
| <b>Percent of Total Units</b>                    | <b>10.2%</b>    | <b>20.8%</b> | <b>19.4%</b>    | <b>55.2%</b>          | <b>105.6%</b> |

\*Market rents and sales price of units affordable to moderate income.

Source: City of Novato Community Development Department

While the City has already exceeded its fair share allocation for total homes, the City has a remaining need and requirement to provide affordable housing, specifically 221 homes in the very low income category. Novato's combined total fair share allocation for affordable housing for the very low, low and moderate income categories is 1,452 units for the 1999-2006 planning period. To date, 1,258 affordable homes have either been built or approved within these income categories. This leaves a remaining balance of 221 affordable homes, which fall under the very low income category.



It is appropriate that the City's excess number (278 units) of constructed and/or approved low income units count towards the City's fair share allocation of moderate income homes as they represent an even deeper level of affordability within Novato's price inflated housing market. The City, to date, is still left with a net excess of 27 low income units above its fair share allocation for the low income category. It should also be recognized that additional moderate income affordable housing would be provided by second units, many market rate rentals and some market rate condominiums.

Because local jurisdictions are rarely if ever involved in the actual construction of housing units, the fair share numbers establish goals that should be used to guide planning and development decision making. Specifically, the numbers establish a gauge to determine whether the City is allocating adequate sites for the development of housing (particularly housing at higher densities to achieve the housing goals for very low income households). The City must also review its land use and development policies, regulations and procedures to determine if they are creating unreasonable constraints on housing development to meet its fair share need. This evaluation is included later in this part of the Housing Element under "Potential Governmental Constraints and Opportunities." The City must also demonstrate that it is actively supporting and facilitating the development of housing affordable to lower income households. These efforts are described in the "Housing Policies and Implementing Programs" section.

The City is required to provide an inventory of known sites available for housing development as well as vacant and/or underdeveloped sites that can accommodate Novato's short term housing development needs determined by ABAG between January 1999 and June 2006. The City completed an inventory of built or approved developments since January of 1999 (see tables above), and conducted a survey of vacant, underutilized and redevelopment areas of the City to assess needs and opportunities for additional housing development, a summary of which is included in Appendix B. Other than second units, market rate apartments, and some market rate condominiums, it is generally assumed that a minimum density of about 25 units/acre is needed to create opportunities for very low income housing to be built (based on current affordability levels, construction costs, long-term management/maintenance costs, competitiveness for financing, and land costs).

Recent amendments to the Novato Zoning Ordinance (in 2001 and 2002) have created significant incentives for housing, especially mixed use and affordable housing. There is the significant potential for multi-family/apartments and/or townhomes in the following Zoning Districts through the increased FAR (floor area ratio) that is allowed when housing is included as a part of development:

- CD — The maximum FAR may be increased from 1.2 up to 2.0 if housing is provided.
- MU — The maximum FAR may be increased from 0.4 up to 0.8 if housing is provided.
- CN — The maximum FAR may be increased from 0.4 up to 0.6 if housing is provided.



Projects within the Downtown Redevelopment Area, which also includes three neighborhood commercial sites, will provide the on-site units with 10-15 percent inclusionary and the 60/40 split of low and very low income affordability. The densities range from 50-90+ units per acre, but on a small scale so as to be compatible with the community values. In other words, on a 7,500 square foot lot in the Downtown high densities can be achieved with 15 units in two stories above the retail storefront (this equates to a 2.0 FAR or close to 90 units per acre).

Given the recent zoning amendments described above, the sidebar to the right depicts the housing redevelopment capacity of a fairly typical parcel within Novato's Downtown Core, which provides a housing incentive from 1.2 FAR (for retail/commercial only) to 2.0 FAR if housing is incorporated above the ground floor.

Illustrating the effectiveness of these new regulations in creating housing, the City is currently processing two recent applications submitted late in 2002 for Gateway Center and Novato Gateway South (two separate General Plan Amendments/Rezoning applications) for mixed use development with a total of 127 housing units proposed (see also Appendix B).

The following is a discussion of available lands as they apply to low density, and medium to high density/multi-family development opportunities. As discussed below, given the approved and potential remaining Above Moderate Income unit development, the Housing Element analysis of available land and Novato's ability to meet the ABAG needs has focused primarily on sites appropriate for multi-family housing that can more effectively meet the City's remaining housing need for very low income households.

In summary, there are adequate sites either targeted for specific actions (63 units) and other sites where the current zoning is at densities are greater than 25 units per acre (407 unit potential), which can create the opportunity for very low income housing to be built. Thus, the City has sites for a total of 470 units that have the potential to address remaining 221 very low income unit need (a surplus of 235 units). The following table further identifies future potential sites which will be evaluated for General Plan Amendment/Rezoning for additional multifamily use (340 additional units possible — see Program 6.B3). A summary of this information is shown in the table on the next page.

### **Housing Capacity Analysis Using FAR (Floor Area Ratio)**

Example of a 7,500 Square Foot Parcel in the Downtown (2.0 FAR and 58 Units/Acre Result)

#### **Parcel Area**

7,500 sq. ft. Parcel (0.17 acres) = 15,000 sq. ft of building area (7,500 x 2.0 FAR)

#### **Non-Residential Use**

3,000 sq. ft. ground floor retail  
4,500 sq. ft. ground floor parking area  
15 spaces (4,500/300 sq. ft. gross area per space; parking areas are exempt from FAR per the Zoning Code)

#### **Residential Use**

12,000 sq. ft. available for apartments/condos above ground floor  
1.5 parking per 2 bedroom unit (example based on 2 bedroom units)  
10 units yielded (need for 15 parking spaces)

#### **Residential Density**

58 units per acre  
(10 units/0.17 acre parcel)



HO Table 14

## Summary of Housing Sites at 25+ Units/Acre Compared to Remaining Very Low Income Housing Need (2003-2006)

|                                                                                                                                                                       | Very<br>Low<br>Income | Low<br>Income | Moderate<br>Income | Affordable<br>Housing<br>Total | Above<br>Moderate<br>Income | Total      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------|--------------------|--------------------------------|-----------------------------|------------|
| <b>Remaining Housing Need</b>                                                                                                                                         |                       |               |                    |                                |                             |            |
| Regional "Fair Share" Housing Need                                                                                                                                    | 476                   | 242           | 734                | 1,452                          | 1,130                       | 2,582      |
| Housing Units Built or Approved Since 1/99                                                                                                                            | 225                   | 520           | 483                | 1258                           | 1,379                       | 2,637      |
| <b>Total Remaining Units Needed</b>                                                                                                                                   | <b>221</b>            | <b>-278</b>   | <b>251</b>         | <b>221</b>                     | <b>-249</b>                 | <b>-55</b> |
| <b>Specific Housing Sites (Housing Programs 2003-2006)</b>                                                                                                            |                       |               |                    |                                |                             |            |
| New Second Units (Scattered Locations)                                                                                                                                | 14                    | 7             | 7                  | 28                             | 0                           | 28         |
| JHS Site (San Marin/San Andreas)                                                                                                                                      | 10                    | 0             | 0                  | 10                             | 89                          | 99         |
| Hamilton Senior Housing Site                                                                                                                                          | 25                    | 0             | 0                  | 25                             | 0                           | 25         |
| Total Units                                                                                                                                                           | 49                    | 0             | 0                  | 63                             | 89                          | 124        |
| <b>Total Remaining Need for Very Low Income Housing</b>                                                                                                               | <b>172</b>            | <b>n/a</b>    | <b>n/a</b>         | <b>172</b>                     | <b>n/a</b>                  | <b>n/a</b> |
| <b>Currently Zoned Housing Sites (Available 2003-2006)</b>                                                                                                            |                       |               |                    |                                |                             |            |
| Vacant/Underdeveloped Sites                                                                                                                                           |                       |               |                    | 18                             |                             |            |
| Potential Reuse Sites in Downtown (Density Established through FAR)                                                                                                   |                       |               |                    | 249                            |                             |            |
| Other Reuse Sites (Density Established Through FAR)                                                                                                                   |                       |               |                    | 140                            |                             |            |
| <b>Total Units</b>                                                                                                                                                    |                       |               |                    | <b>407 units</b>               |                             |            |
| <b>Surplus of Potential Currently Zoned High Density Housing Sites<br/>(25+ du/ac) Compared to Remaining Very Low Income Housing<br/>Need (407 units - 172 units)</b> |                       |               |                    |                                |                             |            |
|                                                                                                                                                                       |                       |               |                    | <b>235 unit surplus</b>        |                             |            |
| <b>Future Potential Rezone Housing Sites (25+ du/ac)</b>                                                                                                              |                       |               |                    |                                |                             |            |
| Sites with Density Established through FAR                                                                                                                            |                       |               |                    | 241                            |                             |            |
| Other Sites                                                                                                                                                           |                       |               |                    | 99                             |                             |            |
| <b>Future Potential Units (Over the Currently Zoned Surplus of 235 Units)</b>                                                                                         |                       |               |                    | <b>340 units over surplus</b>  |                             |            |
| Source: City of Novato Community Development Department                                                                                                               |                       |               |                    |                                |                             |            |

**Low Density Housing Sites**

New low density, single family detached homes typically meet the projected need for "Above Moderate Income" housing. There are three low density site designations in the Novato General Plan: (1) Rural Residential, 0 to 0.49 dwelling units per acre; (2) Very Low Density Residential, 0.5 to 1.0 dwelling units per acre; and, (3) Low Density Residential, 1.1 to 5.0 dwelling units per acre. Since January, 1999, the City has issued 630 building permits for housing within low density areas of the City that are considered "Above Moderate Income." Also within these low density areas the City has approved construction of 707 additional single family dwelling units, which are also expected to meet the "Above Moderate Income" housing need. This will result in a total of 1,161 single family detached housing units.

Thus, provided the projects that have been granted entitlements exercise that right, the City will exceed the projected short term need for "Above Moderate Income" housing of 1,130 by 108 units. In addition, the table in Appendix B shows vacant, underdeveloped, redevelopment and potential rezone sites that have not submitted entitlement applications. Of the identified sites, low density residential sites comprise a total of 790 acres, and represent a development potential of approximately 500 additional "Above Moderate Income" single family detached units. This



approximation takes into account preliminary site constraints including slopes, sensitive habitat and availability/extension of infrastructure.

### **Sites for Medium and Higher Density Multi-Family Housing**

As shown in the tables above, Novato's accomplishments since January, 1999 reveal a remaining "fair share" need of 221 very low income units. Through projects such as Meadow Park at Hamilton, the City has already far exceeded the ABAG needs identified for low income units by 278 units. This accomplishment is largely a result of the City's affordability requirements for granting of entitlements within Hamilton Field Reuse. These excess low income units address a deeper level of need than units priced for moderate income.

The median price of a *for-sale* townhouse and condominium unit was \$274,863 in Novato in 2000 and would be affordable at levels below the moderate income cap (roughly \$307,600 for two person and \$384,400 for four person household sizes). For studio and one-bedroom rental units for a single person, average rent in Novato, at \$1,157 for larger units and \$882 for small units, qualifies these units as affordable for moderate income limits (at 30 percent of monthly income). This is illustrated in the tables on HO Tables 3 and 4. For example, one and two bedroom rental units for two person rent in Novato for \$1,401 for the larger unit and \$1,157 for the smaller unit, which qualifies these units as affordable for moderate income limits. For two and three bedroom rental units for four persons, the average rent in Novato, is \$1,689 for the larger unit and \$1,401 for the small unit, which qualifies these units as affordable for moderate income.

In addition to low density sites, Appendix B, in the underdeveloped and redevelopment/reuse sites categories, depicts a refined list of five existing Mixed Use (MU) and Downtown Core (CD) sites appropriate for multi-family residential and/or mixed use (with residential component) sites in Novato. The five combined mixed use sites comprise approximately 20 acres and represent a development capacity of approximately 133 additional multi-family units. Provided attached housing (apartments, townhomes and condominiums) are developed on these sites, most of the 150 units should qualify as at least moderate income housing.

Pursuant to Novato's 1996 Housing Element update, a new General Plan land use and zoning designation was created for the "Downtown Core" in 2001. The Downtown Core, also reflected under redevelopment/reuse sites in Appendix B, now permits an increase in Floor Area Ratio (FAR) from 1.2 to 2.0 when housing is included. This significant change in permitted use for housing, and density of development/redevelopment in the Downtown could result in up to about 250 potential multi-family or mixed use housing units in Novato's Downtown.

Appendix B also identifies nine potential rezone sites to allow mixed use and/or multifamily housing at high density that total approximately 24 acres and represent a development capacity of approximately 340 units. Unit potential on these sites identified in Appendix B are conservatively estimated taking into account various site constraints including existing development that may be preserved, added parking demand, and environmental constraints, including slope, native vegetation, etc. The General Plan also provides ranges of development potential for medium and multi family housing densities. Thus, it should be noted that Appendix B is a refined list of sites and does not necessarily identify additional housing opportunities Citywide.

In recent years, an average of five accessory units have been built annually. Studies conducted as part of the *Marin Housing Workbook* show that half of these units can qualify as very low income housing because they are rented at \$0. Through improved opportunities to construct accessory



dwelling units, such as improved more streamlined review and fee adjustments, the City might expect to increase accessory unit production to ten or eleven per year. For the remaining period, 2003 through 2006, this increase in production would result in 28 added accessory units, with about 14 of those for very low income and the remainder estimated at low (7 units) and moderate income (7 units) affordability levels.

Thus, given the residential development sites and estimated unit counts (1,140 total) reflected in Appendix B, and taking into account increased numbers of accessory units, there are potential sites with adequate densities within the City to achieve and exceed the remaining need for affordable units at the very low income level of affordability. Further, specific programs identified in the Housing Element, such as State Density Bonus law, inclusionary requirements and others, as described later in this document, are expected to provide for additional affordable housing opportunities in achieving the City's remaining fair share responsibilities.

## **Potential Non-Governmental Constraints and Opportunities**

State law requires an analysis of potential and actual governmental and non-governmental constraints to the maintenance, improvement, and development of housing for all income levels. The Housing Element must identify ways, if any, to reduce or overcome these constraints in order to meet the City's housing needs.

### **Land and Financing Costs**

The price of housing has risen since the late 70's at a much faster rate than household income. Contributing factors are the costs of land, materials, labor, financing, fees and associated development requirements, sales commissions, and profits. Another factor is the increasing perception of housing as a commodity for speculation. The typical cost to build an average quality wood frame single family detached home is about \$150/square foot, and more for more expensive custom-built homes. Construction costs for an average multiple family unit are generally about 20-25 percent less per square foot.

Vacant land within the City of Novato is limited (vacancy rate at 2.5 percent as of January 2000). Since the demand for housing in the City is very high, the value of potential residential land is increasing and has become a substantial factor in the cost of providing housing. Local realtors report that current market prices for buildable lots for single family dwellings average about \$300,000 for a third of an acre lot (\$20.66/square foot). Land costs may exceed this amount in areas that provide more amenities or in the most desirable locations. Land costs for multi-family development heavily depend upon allowable densities, construction constraints, and potential fees for rezoning, general plan amendments and environmental impact review and mitigation efforts. According to local developers, fair market land values for multi-family development can be approximated at \$30,000 to \$35,000 per unit. Thus, one acre, properly zoned, with a 20-unit density allowance, would cost approximately \$700,000 (\$16.06/square foot).

Major contributors to the cost of land are the amount of land available and the density of residential use allowed. In addition, cost is affected by other factors such as location, buildability, availability of community services, attractiveness of the neighborhood and any restrictions on development. In response to high housing costs, some lenders provide mortgages of 95 percent of the value of the house, a significantly higher percentage than normally allowed (80 percent).

Infrastructure, services and utilities needs for future development are addressed in the Novato General Plan. They do not represent a constraint to development as policies and programs are



in place to assure that adequate infrastructure and services will adequately serve new in-fill development.

### **Working with Non-Profit Housing Developers**

The key to the success of non-profit developers lies in three areas: First, in their ability to draw upon a diversity of funding sources and mechanisms to make their developments work financially; second, in their commitment to working cooperatively and constructively with the local community, including local officials as well as neighborhood residents; and third, in their long-term commitment to ensuring excellence in design, construction and management of their developments, creating assets that are valued by the people who live in the developments as well as their neighbors and others in the community.

The Nonprofit Housing Association of Northern California (NPH) serves as a local networking agency, advocacy group and resource organization for affordable housing developers in the Bay Area and elsewhere in California. Some of the affordable housing developers and housing services providers that have been active in Novato in recent years include Novato Human Needs Center, Homeward Bound's "New Beginnings" Center, Ecumenical Association for Housing, North Bay Housing, Citizens Housing, Nova-Ro, and BRIDGE Housing Corporation.

### **Housing Financing Incentives for Workforce and Special Housing Needs**

There are a wide variety of resources provided through federal, state and local programs to support affordable housing development and related programs and services. The single largest (and often least recognized) federal program is mortgage interest tax deduction, estimated at \$54 billion in 1996 for the entire nation. The California Housing Plan (2000) reports that federal assistance for affordable housing was only \$17.2 billion nationwide the same year. This assistance was primarily used to maintain and operate the existing supply of affordable housing. Outlays for new construction were considerably lower.

California localities receive federal subsidies for affordable housing through a number of programs. Like State programs, federal programs often change in terms of program details, application procedures, and amount of subsidy dollars available. State agencies also play an important role in providing housing assistance by allocating federal housing funds and/or making loans available to affordable housing developments. The three principal agencies involved are the State Treasurer's Office, the California Housing Finance Agency (CHFA), and the California Department of Housing and Community Development (HCD).

Local government resources, which have historically played a less important role in supporting housing development, now play a fairly significant role by making local developments more competitive for federal and state financing. There is considerable competition for the program funds that are available, and any one development will need to draw upon multiple resources to be financially feasible. When developments are able to demonstrate a financial commitment and contribution from local sources—especially if coupled with regulatory support through policies such as fast-track processing, fee waivers, and/or density bonuses—they are better able to *leverage* funding from other "outside" sources.

Additionally, all funding sources require separate reporting and data collection. When multiple funding sources are used (usually necessary), additional burdens are placed on developers to track the information required and report on a timely basis with limited staffing.



## Potential Governmental Constraints and Opportunities

Like all local jurisdictions, the City of Novato has a number of procedures and regulations it requires any developer to follow, and fees to pay. There are many locally imposed land use and building requirements that can affect the type, appearance, and cost of housing built in Novato. These local requirements include zoning standards, development fees, parking requirements, subdivision design standards, and architectural review. Other building and design requirements imposed by Novato follow state laws, such as the Uniform Building Code, Subdivision Map Act, energy conservation requirements, etc.



*Novato City Hall*

Residential development standards contained in the Novato Zoning Ordinance and subdivision regulations are comparable to many other communities in the Bay Area, as evaluated in the Marin County Housing Workbook. Nevertheless, there are still actions which the City can

implement to reduce potential impediments to addressing the City's housing needs. Conclusions based on the analysis contained in this section identify potential governmental constraints, and specific recommendations contained in the programs section of this Housing Element that are intended to remove or reduce those potential constraints. They include:

- (1) **Clarification of the City's Design Review Criteria for Multifamily Housing.** While design review does not represent a process constraint since it leads to easier community acceptance of a project, clarifying the criteria for multifamily design review will facilitate housing. HO Program 3.A, Prepare Multifamily Housing Design Criteria, is intended to address this issue.
- (2) **Increased Incentives for Mixed Use.** The City has supported a number of Zoning changes to encourage mixed use development in the downtown and housing near transit. Specific incentives for mixed use, such as increased building height, parking, FAR and other incentives, are identified in HO Program 7.A, Apply Mixed Use Development Standards and Incentives. HO Program 6.M, Update Parking Standards, will evaluate opportunities for shared parking and other flexible parking requirements that would apply to mixed use development.
- (3) **Modification to Parking Standards.** The City offers significant parking incentives in the downtown. Specific modifications to the City's parking standards, including reduction of the parking standard for three-bedroom multifamily units to be consistent with single family homes, are identified in HO Program 6.M, Update Parking Standards.
- (4) **Modification to the City's Accessory Dwelling Unit Standards and Process.** HO Program 10.A, Modify Accessory Dwelling Unit Development Standards and Permit Process, in part, incorporates the requirements of new State law (AB 1886).



- (5) **Multifamily Development Standards and Sites.** Multifamily housing sites provide the greatest opportunity to provide for workforce and special needs housing. Programs in the Housing Element identify additional sites and incentives for multifamily housing. These include HO Program 6.B, Modify Multifamily Zoning Standards, HO Program 6.D, Evaluate Residential and Non-Residential Sites for Multifamily Housing, HO Program 6.E, Seek Increased Multifamily Housing Opportunities, and HO Program 6.F, Evaluate Land Uses in all Neighborhoods, including the Northwest Quad.

Novato's Zoning standards are summarized in the table below.

HO Table 15

City of Novato Zoning Standards for Residential Districts

| Zone   | Classification                          | Permitted Use                        | Lot Size  | Width<br>(ft.) | Depth<br>(ft.) | Setbacks       |               |               | Building<br>Height<br>(ft.) | Building<br>Coverage | Density<br>(Units<br>per Acre) |
|--------|-----------------------------------------|--------------------------------------|-----------|----------------|----------------|----------------|---------------|---------------|-----------------------------|----------------------|--------------------------------|
|        |                                         |                                      |           |                |                | Front<br>(ft.) | Side<br>(ft.) | Rear<br>(ft.) |                             |                      |                                |
| RR-80  | Rural Residential                       | Single                               | 80,000 sf | 150            | 150            | 30             | 25            | 30            | 30                          | 20%                  | 0.5                            |
| RVL-80 | Very Low Density Residential            | Single Family                        | 80,000 sf | 150            | 150            | 30             | 25            | 30            | 30                          | 20%                  | 0.5                            |
| RVL-40 | Very Low Density Residential            | Single Family                        | 40,000 sf | 150            | 150            | 30             | 20            | 30            | 30                          | 20%                  | 1.1                            |
| R1-40  | Low Density Residential                 | Single Family                        | 40,000 sf | 150            | 150            | 30             | 20            | 30            | 30                          | 40%                  | 1.1                            |
| R1-20  | Low Density Residential                 | Single Family                        | 20,000 sf | 100            | 100            | 30             | 15            | 30            | 30                          | 40%                  | 2.2                            |
| R1-10  | Low Density Residential                 | Single Family                        | 10,000 sf | 75             | 100            | 25             | 10            | 25            | 30                          | 40%                  | 4.4                            |
| R1-7.5 | Low Density Residential                 | Single Family                        | 7,500 sf  | 60             | 100            | 25             | 6             | 20            | 30                          | 40%                  | 5.8                            |
| R4-6.0 | Medium Density Detached Residential     | Single Family                        | 6,000 sf  | 50             | 75             | 25             | 5             | 20            | 30                          | 40%                  | 7.3                            |
| R5     | Medium Density Residential              | Single and Two-Family                | 7,500 sf  | 50             | 75             | 20             | 0-5           | 20            | 30                          | 40%                  | 5.1-10                         |
| R10    | Medium Density Multi-Family Residential | Single, Two-Family, and Multi-Family | 6,000 sf  | 60             | 100            | 20             | 6 or 10*      | 15 or 20**    | 35                          | 40%                  | 10.1-20                        |
| R20    | High Density Multi-Family Residential   | Multi-Family                         | 10,000 sf | 60             | 100            | 20             | 6 or 10*      | 15 or 20**    | 35                          | 40%                  | 20.1-30                        |

\*10 ft. minimum when building height exceeds 20 ft.

\*\*20 ft. minimum when the rear property line abuts a single family zone.

Source: City of Novato Zoning Ordinance

Within the downtown core business or retail districts, the height limit may be increased up to a maximum height of 45 feet for the habitable floor area (excluding the roof) through Design Review approval if housing is incorporated in a mixed-used project.

## Land Use and Development Standards

- (1) **Housing Incentives (Density and Financing).** The City has provided incentives to private and non-profit developers to help further its goal of providing a mix of housing types and prices that help meet the City's fair share regional housing need as determined by ABAG. The City has implemented ways to encourage affordable housing so that governmental regulations, fees and processing are not a constraint to meeting the City's affordable housing needs. The City's Affordable Housing Requirements (Section 19.24 of the Novato Zoning Ordinance) provide for density bonuses, fee waiver and other inducements for affordable units.

In addition, the City's Redevelopment Agency has provided support for affordable housing. The City projects revenues of approximately \$450,000 in each year of the current planning period. Future expenditures are planned for projects in the Downtown Redevelopment Area. Projects that specifically address the needs of very low income households will be given priority. In addition, the City expects to continue annual funding of approximately



\$150,000 for emergency rental assistance and short-term rent subsidies, administered by the Novato Human Needs Center, through Redevelopment funds.

The General Plan identifies locations where multi-family housing units may be developed. Development standards contained in the Zoning Ordinance and subdivision regulations are comparable to many other communities in the Bay Area. The General Plan includes several designations which encourage higher density housing, including: (a) Medium Density Residential at 10-20 units per acre; and (b) High Density Residential at 20-30 units per acre. Many market rate attached townhomes and condominiums, as well as most rentals are affordable to moderate income households.

Due to high land costs, providing higher densities is especially important for affordable housing projects. The City has been successful in recent projects in providing densities to make these projects feasible. The Nova-Ro III development is an affordable senior housing project which is two-stories and contains 40 units with a site density of 31 units/acre. The Villas at Hamilton is an affordable senior apartments project that is three-stories with 130 units and a site density of 50 units/acre. These recent projects represent a commitment by the community to address the increasing constraints to available land. In addition, as discussed earlier under the available land section, the City's mixed use FAR standards allow up to 58 units per acre for residential uses.

- (2) **Housing Incentives (Mixed Use).** Novato's updated Zoning Ordinance (updated in 2001 and 2002) allows and provides incentives for mixed use housing in Neighborhood Commercial, the Downtown Core, Mixed Use designation, and Research/Education-Institutional to facilitate higher density housing mixed with other uses. A Floor Area Ratio (FAR) bonus is provided when multi-family housing is included with these other uses. Residential mixed use in the downtown is especially encouraged, as it meets multiple goals of the Novato General Plan, including development of housing near jobs, support for downtown retail, and locating housing near transit. An increase in maximum FAR is allowed in the Downtown from 1.2 to 2.0 when housing is included. Neighborhood Commercial allows an increase from 0.4 to 0.6 FAR when housing is included.

Mixed use provides the opportunity to develop smaller rental units over or adjacent to existing uses, thereby providing more potentially affordable units without developing new parcels. For this reason, mixed-use developments are a key way for jurisdictions to meet their workforce housing targets. When combined with design guidelines intended to make mixed-use developments blend in with surrounding structures, high-density multifamily housing can be achieved without altering the existing look of the neighborhood.

In order to encourage mixed use, the City allows for flexible parking requirements depending on the use mix, size of units, location, etc., in order to provide opportunities for some shared parking between customers (day users) and residents (night users). An additional incentive to facilitate mixed-use developments would be to eliminate unit density requirements for residential uses, and require developments to meet Zoning standards for the building envelope including height, setbacks, etc.

- (3) **Development Standards.** The City of Novato regulates the use of land within the City limits through the General Plan, the Zoning Ordinance, the Subdivision Ordinance and the Uniform Building Code. The Zoning Ordinance implements the General Plan and provides



greater specificity on densities, height and yard regulations, etc. Key issues related to land use controls that have been addressed by the City in its planning documents include:

- Achieve consistency among all of the City's planning documents - the General Plan, Downtown Novato Specific Plan and the Zoning Ordinance.
- Clarify mixed use policies in the General Plan and Zoning Ordinance.
- Provide greater specificity in land use and design policies.
- Establish more specific development requirements, such as traffic mitigation, open space contributions, fees, etc.

On- and off-site improvements can include curbs, gutters, storm drainage, street widening and paving, driveways, and sidewalks for a typical residential project. Street lighting, traffic control devices, street trees, bus facilities, and bicycle facilities may also be required. More expensive improvements can be necessary where the site includes special environmental resources, mitigation of slide hazards, inadequate downstream drainage, or other special conditions pertaining to the site. The improvements required by Novato are fairly standard when compared with other cities in Marin County.

As with other cities, Novato's development standards and requirements are intended to protect the long-term health, safety and welfare of the community. In general, Novato's development standards, design review process and other requirements are comparable to many other communities in the Bay Area and, therefore, do not pose an unnecessary constraint to housing or a burden to a developer. In addition, the City has used tax increment funds to supplement the costs of area-wide capital improvements so that project-specific development requirements do not make individual projects infeasible.

Novato uses the Uniform Building Code (UBC) which sets minimum standards for residential development and all other structures. The standards may add material and labor costs but are felt to be necessary minimums for the safety of those occupying the structures. The City has not implemented any local amendments to the Uniform Building Code. Currently, the City utilizes the 2001 California Uniform Building Code and applies Zone 4 criteria for seismic safety standards. Modification of the code in order to reduce the cost of housing would not be appropriate if it reduced safety or impacted adversely on neighboring properties. The City's sewer, storm drain, and other engineering standards conform with Marin County standards, and the City has required only minimum road widths and improvements in new developments, and allowed for exceptions to these standards where circulation safety is assured and it can make affordable housing more feasible, such as part of the Hamilton Reuse Plan.

Building Code enforcement practices can have an impact on affordable housing stock. Novato's enforcement is complaint-driven, as are those of 70 percent of the local governments surveyed by the State Department of Housing and Community Development. The City has a pre-sale inspection program which also identifies the need for code enforcement actions.



- (4) **Parking.** Parking and Loading Requirements (Division 19.30 of the Novato Ordinance) establish parking standards for various types of housing and other uses in the community. These standards are shown in the table below.

*Ho Table 16*

Parking Standards in Novato

| Residential Use Type        | Citywide<br>(space/unit) | Downtown<br>(space/unit) | Most Common<br>Standard in Marin<br>County (space/unit) |
|-----------------------------|--------------------------|--------------------------|---------------------------------------------------------|
| Accessory Dwelling Unit     | 1.0                      | 1.0                      | 1.0                                                     |
| Duplex                      | 2.0                      | 1.0                      | 2.0                                                     |
| Mixed Use                   | By Use                   | By Use                   | n/a                                                     |
| Multi-Family: Studio        | 1.2                      | 1.0                      | 1.0-1.5                                                 |
| Multi-Family: One-Bedroom   | 1.5                      | 1.0                      | 1.5                                                     |
| Multi-Family: Two-Bedroom   | 2.0                      | 1.5                      | 2.0                                                     |
| Multi-Family: Three-Bedroom | 2.2                      | 2.0                      | 2.0-2.5                                                 |
| Guest Parking               | 0.33                     | 0.25                     | 0.20-0.25                                               |
| Senior Housing              | 1.0                      | 0.1                      | n/a                                                     |
| Single Family Dwellings     | 2.0                      | 2.0                      | 2.0                                                     |

Source: City of Novato Community Development Department (2002); Marin County Jurisdictions (2001)

Second units are required to have one parking space, which is typical of most jurisdictions in the county. Multifamily parking is on a sliding scale based on the number of bedrooms in the unit. Exceptions to parking standards are provided to encourage mixed use housing and housing in the Downtown overlay area. These standards are generally typical of other communities in the Bay Area and Marin County. Although, it may be appropriate to reduce the three-bedroom multi-family requirement to be the same as that for a single family dwelling (2.0 spaces required).

## Permit Processing, Fees and Other Issues

- (1) **Processing of Permits.** The review and approval process for discretionary permits is frequently a constraint to the development of affordable housing. The following is an analysis of the permit approval process for residential development in Novato. This analysis addresses properties designated by the General Plan for residential development. Like all local jurisdictions, the City of Novato has a number of procedures and regulations it requires any developer to follow. The City has implemented a "One-Stop Shop" permit process to review and issue minor building permits over the counter. Larger projects proposed in Novato typically involve in some combination of the following review processes: Environmental review, use permits, building permits, subdivision maps, and rezonings. The costs of processing are the result of State requirements, local procedures, the quality of project submittals and requests for public review.

Minor permits for small projects (decks, kitchen or bathroom remodeling, window replacements, water heaters, furnaces, reroofing) are processed over the counter in a "One-Stop Shop" review and permit issuance process. Other projects are placed in "Fast Track Plan Check," and plan check comments are typically returned within 15 working days to the applicant. The more detailed the submittals, the faster the approval. Major projects, once through the Planning Division, are placed in the "Fast Track Plan Check" and plan check comments usually require a 20-day turnaround time.



All residential development is required to go through design review except single family dwellings in an R-1 district with slopes of less than 10 degrees. Design Review may be completed by staff or may require a public hearing before the Design Review Committee. The process takes approximately one month. Use permits, currently required for second units, and variances require public hearings before the Zoning Administrator and take about one month. The time period for building permits varies with project complexity, but can take up to two months.

For larger projects (such as General Plan Amendments/Rezoning for subdivisions and larger multifamily projects), the City has a development review process containing several steps, starting from a general or schematic level and progressing to more detailed levels. This allows the applicant to secure a general understanding of local requirements and issues prior to spending substantial amounts of time and money on more detailed plans. Depending upon the complexity of the project, a range of permits may be required. Many of these permits can be processed concurrently. A description of possible permits and processing times is provided in the following table.

HO Table 17

| Development Review Process in Novato                    |                                                                                                 |
|---------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| Environmental Review                                    | Adds no time if project receives a Negative Declaration; adds 6-8 months if an EIR is required. |
| General Plan Amendment                                  | 4-6 months if project receives a Negative Declaration; up to a year if an EIR is required.      |
| Rezoning                                                | 3 months for a Negative Declaration; 6-8 months for projects requiring an EIR.                  |
| Master Plan                                             | 3 months for a Negative Declaration; 6-8 months for projects requiring an EIR.                  |
| Precise Development Plan                                | 2 months; 3 months if required to go before City Council.                                       |
| Tentative Map                                           | 1-2 months.                                                                                     |
| Design Review                                           | 1 month.                                                                                        |
| Final or Parcel Map                                     | Varies with size of subdivision – up to several months.                                         |
| Source: City of Novato Community Development Department |                                                                                                 |

In Novato, many permits are processed concurrently at the discretion of the applicant. Generally, subdivisions and rezonings take about one year to process. Use permits and variances take about six months. These time lines compare favorably with neighboring communities and any other jurisdictions in the state. Processing time for multi-family projects is dependent on whether an Environmental Impact Report (EIR) is required. Environmental protection requirements, including protection of endangered species, may add time to the development process and additional cost where it is necessary to evaluate the effects of the project and mitigate effects which are adverse. Novato follows the procedures set forth in the California Environmental Quality Act (CEQA) and Guidelines. Fees charged for CEQA processing cover costs involved.

The City also undertakes design review of projects to ensure their "fit" with the community. While design review may require more processing time and impose some additional requirements, it is not considered a constraint because it is important that new projects blend with the community. Novato's Design Review requirements encourage and provide an opportunity for design issues to be raised early in the review process, thus helping to assure community acceptance of a project proposal, which can significantly reduce delays and costs due to project appeals and other forms of community objections that can lead to redesign.



The Design Review process includes the following steps:

- Step One: *Design Review Workshop.* At the option of the applicant, the director will arrange for an introductory workshop with the design review committee to review with the applicant the City's standards and guidelines that may affect project site design, with respect to elements such as access, grading, tree removal, neighborhood compatibility, building placement and massing. The director provides for courtesy noticing of property owners within 600 feet of the site.
- Step Two: *Application Preparation, Filing, Initial Processing.*
- Step Three: *Evaluation of Proposal.* The director considers the design, location, site layout, and the overall effect of the proposed project upon surrounding properties and the city in general. The review compares the proposed project to applicable development standards, design guidelines, and other city regulations.
- Step Four: *Opportunity for Public Hearing.* Interested parties have the option to request a public hearing up to 11 days after public notice was initiated.
- Step Five: *Approval or Referral to Design Review Committee.* The director may approve or disapprove the proposal or refer the application to the Design Review Committee.
- Step Six: *Review by the Design Review Committee.* The design review application is scheduled for a public hearing and the design review committee considers approval or disapproval of the project's site plan, building(s), architecture, landscaping, color and materials according to established design criteria.

Through the Novato General Plan and Downtown Specific Plan, the City has established policies and clear expectations regarding residential design. These principles are articulated in detail in the Municipal Code Chapter 19.42. Design standards are applied to the height and bulk of buildings, site layout, site access, landscaping, orientation to natural amenities and scenic views, the architectural design of building facades and rooflines, the location of windows, doorways and outdoor use areas, and the use of exterior lighting, chimneys, and other exterior structures. Although the Design Review scope is broad, the standards are not intended to restrict innovation or variety in design, but rather to preserve community character and aesthetics and encourage high-quality design.

In addition, by encouraging developers to meet with neighborhood residents and allowing the combined processing of certain applications, such as zoning and subdivision map requirements, the City has taken actions which reduce processing time and potential delay for residential projects. The City has a master plan, precise development plan process which enables site development standards and design guidelines to be developed more specifically in response to an area's conditions. Following the procedures can be extremely successful in identifying key project issues and appropriate project modifications that in the long-run reduce the time in processing an application through the public hearing process.



Further, this process provides flexibility in responding to the unique aspects of a site and development type.

Potential opposition to affordable housing exists in many communities throughout the Bay Area. The Marin Consortium for Workforce Housing was established to build public understanding and support for workforce housing. Specific project concerns can also relate to potential environmental impacts, quality of design, and the quality of long-term management of the project. The Housing Element includes a program to work with the Marin Consortium for Workforce Housing and others to help address this potential constraint. In addition, the City's environmental and design review procedures assist in achieving project acceptability and allow for neighborhood participation.

- (2) **Development Fees.** Local fees add to the cost of development; however, particularly after Proposition 13, cities are concerned with the need to recover processing costs. Line item fees related to processing, inspections and installation services are limited by California law to the cost to the agencies of performing these services. The City of Novato adheres to this mandate by charging full cost recovery fees for application processing and inspection services. The table below describes minimum deposits for typical planning fees. The fees are comparable to those charged by other jurisdictions in Marin and are not considered a barrier to residential development. The City can reduce or waive park dedication and fees applicable to the affordable housing units of a housing development.

HO Table 18

Planning Fees in Novato (2003)

| Planning Fees (minimum deposits)    |            |                                         |          |
|-------------------------------------|------------|-----------------------------------------|----------|
| General Plan Amendment              | \$1,630.00 | Design Review                           |          |
|                                     | 0          |                                         |          |
| Rezoning                            | 1,200.00   | Minor Residential                       | \$300.00 |
| Zoning Amendment                    | 760.00     | Residential                             | 936.00   |
| Development Agreement               | 2,000.00   | Conditional Use Permit                  |          |
| Precise Development Plan            | 2,000.00   | Accessory Dwelling Unit                 | 700.00   |
| Tentative Map Land Division         | 815.00     | Zoning Administrator                    | 500.00   |
| Vesting Tentative Map Land Division | 1,005.00   | Planning Commission                     | 1,000.00 |
| Subdivision                         | 2,000.00   | Historical Preservation Building Permit | 550.00   |
| Vesting Tentative Map Subdivision   | 2,200.00   | Historical Demolition Permit            | 700.00   |
| Variance                            | 560.00     | Mobile Home Designation                 | 500.00   |
| Planning Site Inspection            | 100.00     | Research Fee (per hr.)                  | 78.00    |
| Environmental Review                |            |                                         |          |
| Initial Study/Negative Declaration  | 600.00     |                                         |          |
| EIR                                 | 600.00     |                                         |          |

Source: City of Novato Community Development Department (2003)

Novato charges construction permit fees according to a sliding scale as detailed in the table below. In addition to these fees, the City charges plan check fees up to 65 percent of the prescribed building permit fee and Title 24 compliance energy fees equivalent to 25 percent of the applicable building permit fee. The City also charges various fees for plan checks, plan storage, site inspections, and plumbing, mechanical and electrical permits. A seismic tax, as established by SB 1374, is levied for residential projects at 10 cents per thousand of valuation. Representative fees are further described in the table below.



Ho Table 19

## City of Novato Construction Permit Fees

| Valuation               | Base Fee   | Plus Incremental Fee                                |
|-------------------------|------------|-----------------------------------------------------|
| Up to \$2,000           | \$73.00    | None                                                |
| \$2,001 - \$25,000      | \$73.00    | \$14 for each additional \$1,000 over \$2,001       |
| \$25,001 - \$50,000     | \$391.00   | \$10.10 for each additional \$1,000 over \$25,001   |
| \$50,001 - \$100,000    | \$664.00   | \$7.00 for each additional \$1,000 over \$50,001    |
| \$100,001 - \$500,000   | \$994.00   | \$5.60 for each additional \$1,000 over \$100,001   |
| \$500,001 - \$1,000,000 | \$3,234.00 | \$4.75 for each additional \$1,000 over \$500,001   |
| \$1,000,001 and up      | \$5,609.00 | \$3.65 for each additional \$1,000 over \$1,000,001 |

Source: City of Novato Community Development Department

The City has implemented development impact fees on market rate projects for traffic impacts (streets and intersections, transit and bicycle, etc.). The City has also required fees for recreational and cultural facilities, civic facilities, general governmental systems, open space, and affordable housing. A balance between increased fees and encouragement of suitable housing development is a key issue for the City and fees have been significantly reduced for affordable housing development.

New subdivisions are required to dedicate land for parks or pay an in-lieu fee. Park dedication is based upon 4.25 acres per 1000 people. A typical single family dwelling would require either .013 acres of park dedication or in-lieu fees equal to the fair market value of the required amount of land. A representative fee would be approximately \$1,800 for a single family unit. In cases where the park dedication does not apply, a residential development tax is charged on a per bedroom basis as follows: one bedroom, \$467; two bedrooms, \$700; three bedrooms, \$865; four bedrooms, \$1,029; five bedrooms, \$1,193; and, each additional bedroom, \$165.

Residential projects are required to build affordable units of up to 15 percent of the total number of dwelling units or pay the current in-lieu fee of \$3,413.47 per unit. This requirement applies to single family dwellings as well as multi-family projects.

Public facilities and traffic impact fees total \$14,757 for a single family unit and \$9,974 for a multi-family unit. In addition, there are several fees imposed by the sewer, water, fire and school districts. Sanitation fees of approximately \$6,000 and water fees of approximately \$5,000 would be charged for hook-ups for a single family dwelling. School district fees are assessed at \$1.44 per square foot of new construction or additions over 500 square feet. Fire facilities impact fees are \$782 per single family unit and \$610 per multifamily unit.

Impact fees are assessed according to the fee schedule in the table below.

HO Table 20

## Public Facilities and Traffic Impact Fees for Residential Development in Novato

|                    | Public Facilities Fees               |                  |                        |            | Traffic Impact Fees |                        |                    |            | Total Cost Per Unit |
|--------------------|--------------------------------------|------------------|------------------------|------------|---------------------|------------------------|--------------------|------------|---------------------|
|                    | Recreational and Cultural Facilities | Civic Facilities | General Gov't. Systems | Open Space | Drainage            | Street & Intersections | Transit Facilities | Corp. Yard |                     |
| Single Family Unit | \$4,401                              | \$789            | \$342                  | \$952      | \$1,874             | \$6,061                | \$208              | \$130      | \$14,757            |
| Multifamily Unit   | \$4,401                              | \$789            | \$342                  | \$952      | \$541               | \$2,793                | \$96               | \$60       | \$9,974             |



The table to the right compares fees and exactions assessed by the City of Novato for single family units and multifamily projects on a per unit basis. A typical 4 bedroom, 2,000 square foot single family unit would incur City fees of \$24,605 in 2003. A typical 2 bedroom, 1,250 square foot unit in a fourplex would be charged City fees of \$16,620.

Novato's fees are not a significant constraint to the development of residential and affordable housing for several reasons:

- Most planning fees are limited to time and materials consistent with state law and are comparable to fees charged by other cities in Marin.
- Cumulative fees are fairly standard and are not unduly burdensome or considered to be an impediment to development.
- By ordinance, the City can waive or reduce fees and park dedication for very low and low income affordable units.

|                                          | Single<br>Family<br>Home | Fourplex<br>(per unit) |
|------------------------------------------|--------------------------|------------------------|
| Valuation                                | \$250,000                | \$125,000              |
| Square Feet                              | 2,000                    | 1,250                  |
| Garage Square Feet                       | 630                      | Carport                |
| # Bedrooms                               | 4                        | 2                      |
| Design Review                            | \$936                    | \$234                  |
| Building Permit                          | \$1,834                  | \$809                  |
| Plan Check                               | \$1,192                  | \$526                  |
| Plan Storage                             | \$25                     | \$6                    |
| Title 24 Energy Fee                      | \$459                    | \$202                  |
| Seismic Tax                              | \$25                     | \$12                   |
| Engineering Plan Check                   | \$100                    | \$25                   |
| Engineering Site Inspection              | \$150                    | \$38                   |
| Planning Plan Check                      | \$50                     | \$13                   |
| Plumbing                                 | \$73                     | \$43                   |
| Electrical                               | \$88                     | \$43                   |
| Mechanical                               | \$73                     | \$43                   |
| Crime Prevention                         | \$35                     | \$17                   |
| General Plan Surcharge                   | \$183                    | \$81                   |
| Database Mgt. Surcharge                  | \$183                    | \$81                   |
| Affordable Housing In-Lieu Fee           | \$3,413                  | \$3,413                |
| Residential Development Tax              | \$1,029                  | \$700                  |
| Impact Fees (per Figure 24)              | \$14,757                 | \$9,974                |
| <i>Subtotal of City Fees</i>             | <i>\$24,605</i>          | <i>\$16,260</i>        |
| <i>Estimated Fees of Other Districts</i> |                          |                        |
| Water                                    | \$5,000                  | \$5,000                |
| Sewer                                    | \$6,000                  | \$6,000                |
| Fire                                     | \$782                    | \$610                  |
| Schools                                  | \$2,880                  | \$2,160                |
| Total Fees and Exactions (per unit)      | \$39,267                 | \$30,030               |

Sewer and water hook-up fees can add significant costs to residential development and may present a barrier to the development of affordable housing. The City can work with the sanitary and water districts to reduce or waive fees for affordable units and second units, thereby encouraging and facilitating the development of these types of housing.

- (3) **Accessory Dwelling Units.** An accessory dwelling unit is a small unit in addition to a house on a single lot. Second units have the following benefits: (a) They provide flexibility for the owner of the main home (they can be used as a home office, an apartment for elderly parents, or a source of income); (b) when rented they help make home-ownership affordable for the owner of the home; (c) they can provide flexibility for seniors or other homeowners who rent their primary dwelling because they still want to live in the same neighborhood; (d) they provide lower cost housing because the units tend to be small and



there are no extra land costs (surveys show that half of the units collect \$0 rents); and, (e) they are easier to “fit in” to existing neighborhoods since they are small and are often part of the main house.

Within established neighborhoods, the Use Permit review process is intended to ensure that each accessory dwelling unit permitted both fits in with surrounding development/uses and includes adequate facilities (parking, usable yard area, etc.) so as not to adversely impact the surrounding neighborhood. A critical issue for second units is design and how the unit blends with the existing home. The City’s development standards (parking, unit size, etc.) are similar to many other jurisdictions in the county. Thus, the largest obstacle to second unit construction can be neighborhood opposition and the time and effort it takes to get a permit approved. Ways to reduce the time it takes to obtain a permit could be considered. In addition, fees for second units could also be reduced to a level proportionate to their smaller size and impact.

Second units are also an important source of lower income housing. During the prior 5-year planning period, approximately 35 second units were approved and about 25 second units were actually constructed, with an annual average production of five units. The City projects second unit production to increase during the 1999-2006 planning period due to recommended changes in second unit development standards and approval process (up to a projected 10/year, with 8 second units built per year). These changes include the removal of the use permit requirement, implementation of exceptions to parking requirements, and fee reductions.

Current and future market conditions are also expected to have an impact on second unit construction. The high demand for affordable apartments, coupled with poor economic conditions that impel many homeowners to look for additional sources of income, is expected to spur an increase in second unit development over the next few years. In addition, changing demographics, as described earlier in this element, will create a long-term increase in demand for “granny” units for aging parents. The expected cumulative effect of these conditions will be to increase annual production to ten to eleven units, resulting in a total addition of 55 second units to the housing stock over the current planning period.

Studies conducted as part of the *Marin Housing Workbook* show that half of these units can qualify as very low income housing because they are rented at \$0. Thus, about half of the new second units, or 25 units, will be providing housing for very low income households and the remainder for moderate income households.

## **Opportunities for Energy Conservation**

Housing Elements are required to identify opportunities for energy conservation. Since the deregulation of energy companies in 1998, the price of energy has skyrocketed. With such an increase in prices, energy costs can be a substantial portion of housing costs. Effective energy conservation measures built into or added to existing housing can help residents manage their housing costs over time and keep lower income households operating costs affordable. There are a number of programs offered locally, through the local energy provider (PG&E) and through the State of California, provide cost-effective energy saving programs. Due to deregulation in California, utility costs have skyrocketed. State budget cuts could negatively effect some of these programs as a result.



The California Human Development Corporation in Rohnert Park runs a “weatherization” program for low income households and additional programs may be forthcoming with recent increases in energy costs. The City has made information regarding energy conservation available to the public. There are several significant other areas in which the City of Novato is encouraging energy conservation in new and existing housing:

- (1) Through application of State residential building standards that establish energy performance criteria for new residential buildings (Title 24 of the California Administrative Code).
- (2) Through the Housing Rehabilitation Loan Program that assists in the rehabilitation of older housing units, which can include energy efficiency improvements.
- (3) Through appropriate land use policies and development standards that reduce energy consumption, such as promoting more compact, walkable neighborhoods, with housing close to transit, jobs, community facilities and shopping; encouraging in-fill development; planning and zoning for multi-use and higher density development; permitting common walls and cluster development; and promoting passive and active solar design elements and systems in new and rehabilitated housing.

Energy conservation programs are also operated by private utilities and State and Federal agencies. For example, State and federal appliance standards now require manufacturers to produce and sell appliances according to specified energy-consumption performance criteria, and the Energy Crisis Intervention Program, funded by the State Department of Economic Opportunity, helps low income residents pay delinquent energy bills to avoid interruption of service.

PG&E also sponsors programs such as the Project Help/Direct Weatherization program that provides free attic insulation, weather stripping and caulking, water heater blankets and low flow shower heads for low income households. The PG&E “walk-through audit” provides a comprehensive assessment of energy conservation needs and costs related to home appliances, structural design and insulation.

Through these and other conservation measures the City seeks to help minimize the percentage of household income that must be dedicated to energy costs as well as minimize the use of nonrenewable resources.



# A Framework for Action

## Overview

The primary challenge of Novato's Housing Element is to properly address local housing needs while ensuring that new housing will "fit-in" with the character, quality, environmental constraints, and resources of the community. Questions include:

- **What Kind of Housing Do We Need?** What kind of housing (size, type, location and price) best fits with our workforce housing needs, household characteristics, and ability to pay for housing?
- **Where Can We Appropriately Put New Housing?** Where in our community can additional residential units be accommodated, especially for very low, low, and moderate income households?
- **How Can We Effectively Work Together?** What can the City do—in collaboration with community organizations, other agencies, non-profits, and for-profit developers—to encourage the construction of needed workforce and special needs housing?
- **How Can We Effectively Help Special Needs Groups?** What can be done to assist those households with special needs such as the elderly, homeless, people living with physically or emotional disabilities, and others?



*Senior Villas at Hamilton*

*Reuse of the former Airmen's Barracks will provide 129 senior affordable apartments (currently under construction).*

This part of the Housing Element sets forth a framework for developing an action plan for housing. It provides objectives, policies and implementing programs to effectively meet Novato's housing needs.

## Key Findings From the Housing Needs and Opportunities Analysis

### Building on Past Successes

Novato is part of the complex metropolitan Bay Area employment and housing market. Just as some of Novato's housing need are generated externally, so too are many of the resources required to meet that need. Nationwide, there was a sharp drop in multifamily housing construction during the 1990's due to the loss of federal tax credits, litigation and liability issues. In addition, federal and state funding for housing has declined dramatically since the 1980's. Many factors have resulted in local communities having to take on a more active role in facilitating the provision of housing that meets the needs of the community.



An additional challenge is finding appropriate sites for housing when there is a limited amount of developable land in Novato that is suitable for housing, especially for multiple family housing. The City of Novato has strived to provide a variety of housing opportunities through construction of new housing and rehabilitation of its existing housing stock. For example, the entitlements associated with Hamilton Reuse have already met the City's ABAG "fair share" low-income housing need for 1999-2006. In addition, market rate single family homes built or approved since 1999 are close to surpassing the ABAG need for above moderate-income housing.

Thus, the key findings below build upon these City successes in maintaining a diversity of housing types in the City, and are intended to link together the needs analysis with possible policies or programs (what we do about it). The key findings below focus on ways to address remaining housing needs in Novato, especially for very low-income workforce family housing, special needs and housing for single persons and seniors.

### **Key Findings 1.0 — Population, Jobs and Housing Trends**

- 1.1 Despite growing affluence, there are significant numbers of lower income households in Novato.** It is currently estimated that 39.3 percent of all Marin County households and 47.6 percent of all Novato households fall in the very low and low income category. There is even a greater proportion of very low and low income households among renters. It is estimated in 2000 that 56.2 percent of all renters in Novato fall in the very low and low income category, earning less than \$64,100 for a family of four. Although the average household income in Marin County and Novato has been increasing, the number of households that fall into the low and very low income categories has also increased.
- 1.2 Growth in population in Marin County is limited.** Marin County currently has a population of 247,289 people (100 percent count from the 2000 U.S. Census). Over the next 40 years, between 2000 and 2040, the California Department of Finance projects that Marin County as a whole will grow at an average annual rate of 0.5 percent, which amounts to about 1,220 people and 500 households per year countywide. Over the next 20 years Novato is projected to grow at a rate of about 500 people and about 185 households per year.
- 1.3 A significant proportion of new jobs projected in Novato (and the County) are expected to be lower paying.** A significant increase in jobs over the next 20 years is expected to help achieve a greater balance of jobs to employed residents. The ratio of employed residents per job is expected to go from 1.24:1 in 2000 to 1.03:1 in 2020. Although, about 75 percent of the 12,130 new jobs created in the next 20 years are expected to be in the relatively lower paying services and retail sectors. Many jobs pay what would be considered "low-income" wages include school teachers, public agency employees, shopping center employees, etc.
- 1.4 Marin has an aging population.** The Marin Commission on Aging (MCA) predicts significant increases in Marin's elderly population. By the year 2020, according to MCA, one out of every three Marin residents will be 60 years of age or older. MCA predicts this age group will nearly double in size from 40,000 to 74,000 persons by 2020. In addition, three out of four individuals of the "oldest old," 85 years of age or greater, are expected to be women.



1.5 **Novato has a diversity of housing but in recent years single family detached housing has been the predominant type of housing built.** Detached single family homes are the majority of residential units in Novato, comprising about 55 percent of the total housing stock. Rental apartments are the next most common housing types, comprising about 24 percent of the total units, while condominiums and townhomes comprise about 18 percent, and mobilehomes comprise the remaining 3 percent. Between 1990 and 2000 a total of 1,351 units were added to the housing stock, with multifamily housing comprising about 23 percent and single family housing comprising 77 percent of the total units added.

1.6 **Novato is a diverse community with a significant proportion of single person households.** There were 18,524 households in Novato in 2000, of which about 67 percent were families and 33 percent were non-family households. Most of the non-family households were people living alone (with about a third of those being individuals age 65 or over — representing about 10 percent of all households). Small households generate less impact on a per unit basis than larger households. While middle age households (35-54 years of age) comprise the majority of households in Novato, proportionately the most significant very low and low income housing need is in younger households, under 34, and seniors, 65 years plus.



1.7 **Home ownership in Novato is high and the vacancy rate for rental units is very low.** In Novato there is a high rate of ownership, with 66 percent of the units being owner-occupied (60 percent in 1990), and 32 percent being renter-occupied (37 percent in 1990). On average, renter households in Marin County (2.21 persons per household in 2000) are slightly smaller than owner households (2.42 persons per household in 2000). Novato's effective vacancy rate for rental units is 2.5 percent. The 2.5 percent figure is indicative of a very tight rental housing market in which demand for units exceeds the available supply. The rental vacancy rate is most likely much tighter for units affordable to very low and low income households.

*Single Family Home (Hamilton)*

*Typical home in the recently constructed Traditions Neighborhood within Hamilton Reuse.*

1.8 **Sales prices for housing are out of reach of very low and low income households.** In Novato in 2000 the median price for a conventional single family detached home was \$478,560, which would require an income over \$120,000 per year to qualify for a loan. The median price of a townhome or condominium in 2000 was \$274,863, which is more affordable to higher, moderate income households.

1.9 **Rents have increased significantly in recent years.** According to rental data compiled by Michael Burke of Frank Howard Allen, rents in Novato have increased 22 percent over the last two years for one-bedroom units and 31 percent for two-bedroom units. The



average rent for a one-bedroom unit in Novato increased from \$670 in 1992 to \$1,119 in the third quarter of 2000. The average rent for a two-bedroom unit in Novato increased from \$788 in 1992 to \$1,420 in the third quarter of 2000.

- 1.10 **There are specialized housing needs within the community.** To meet the community's special housing needs (including the needs of the local workforce, seniors, people living with disabilities, farmworkers, the homeless, people with HIV/AIDS and other illnesses, people in need of mental health care, single parent families, single with no children, and large households), Novato must be creative and look to new ways of increasing the supply, diversity and affordability of this specialized housing stock. Special needs housing is 54.7 percent of all deed restricted affordable housing units in Marin County.

## **Key Findings 2.0 — Evaluation of the Current Housing Element**

- 2.1 **Many City housing programs have been implemented in recent years to address affordable housing needs.** From an overall standpoint, the goals, objectives, policies and programs in the current Housing Element have been very successful in a number of areas. The City adopted a new Zoning Ordinance in April 2001, which implements a number of the programs identified in the current Housing Element, including standards for second units, mixed use development standards, live work, and affordable housing requirements for all development (Affordable Housing Ordinance). Specific, recent accomplishments (housing construction and legislative changes) include:

### **Housing Construction**

- 2.1.1 Hamilton Reuse Final Affordable Housing Plan.
- 2.1.2 Transitional Housing Coordination Plan.
- 2.1.3 Nova-Ro III (Atherton Ranch)
- 2.1.4 The Villas (Hamilton Senior Affordable Apartments)
- 2.1.5 Pointe Marin (Rafael Village)
- 2.1.6 Meadow Park (Capehart/Hillside)

### **Legislative Changes**

- 2.1.7 Ordinance for Residential Care Facilities for the Elderly
- 2.1.8 Novato Affordable Housing Ordinance
- 2.1.9 Increased Density for Residential in Downtown
- 2.1.10 Up-to-Date Housing Data

- 2.2 **Implement Housing Element programs in a timely manner.** Based on the evaluation of the current Housing Element (see Appendix A), many of the programs and quantified objectives were accomplished after the current Housing Element's planning period (1988-1998). A significant number of these accomplishments, as summarized above, are associated with the efforts of the City in regard to the Hamilton Reuse Plan. While the updated Housing Element identifies an aggressive, "best effort" timetable on the part of the City for program implementation, the Housing Element also recommends a new program (HO Program 14.A Conduct an Annual Housing Element Review) to provide for an annual assessment of housing element implementation. This assessment would occur through annual review by the Novato Housing and Services Commission and will provide opportunities for public input and discussion, in conjunction with State requirements for a written review each year (per Government Code Section 65583(3)). Based on the



assessment, annual work priorities can be established for staff and the Housing and Services Commission. The Housing Element (HO Programs 1.B, 1.C and 14.C also recommends closer coordination with other jurisdictions and support for a Countywide Housing Assistance Team (HAT).

- 2.3 **Utilize housing funds to implement Housing Element programs.** The City has established three housing fund accounts (Redevelopment Agency Housing, Affordable Housing Trust Fund, and Housing Opportunity Fund) to assist in implementing Housing Element programs. In addition, Marin County CDBG and HOME funds are allocated to projects in Novato. The updated Housing Element includes several new programs to better compartmentalize the funding tasks evaluated in Appendix A (current Housing Element Program 11.3, Housing Funds, Program 11.4, Seeking Funding, and Program 11.8, Redevelopment Agency). All funding related policies and programs are contained in a new section under HO Objective 13.

Updated Housing Element HO Program 13.B, Seek Funding Resources, is similar to the current Housing Element Program 11.4, Seeking Funding, and calls for the City to seek ways to leverage available funding. However, new program HO Program 13.C, Coordinate Funding Among Development Proposals, is intended to ensure effective use of multiple funding resources. In addition, new program HO Program 13.D, Utilize Redevelopment Housing Funds, identifies specific Housing Element programs that can be implemented, at least in part, through the efforts of the City's Redevelopment Agency. In addition, new program HO Program 14.A, Conduct an Annual Housing Element Review, can provide for an annual assessment of the use of housing funds.

- 2.4 **Continue to encourage housing development, especially mixed use and multifamily housing opportunities.** Programs 8.1, 8.2 and 8.3 in the current Housing Element describe efforts in regard to creating opportunities for mixed use and multifamily housing. As a result, the City has updated its Zoning Code to create significant incentives for mixed use and multifamily housing, especially in the downtown. The updated Housing Element builds upon these successes by identifying additional modifications to parking and other standards to achieve these objectives. These include HO Program 6.B, Modify Multifamily Zoning Standards, HO Program 6.D, Evaluate Residential and Non-Residential Sites for Multifamily Housing, HO Program 6.E, Seek Increased Multifamily Housing Opportunities, and HO Program 6.F, Evaluate Land Uses in all Neighborhoods, including the Northwest Quad.

- 2.5 **Address remaining ABAG Moderate Income housing needs through market rate rental housing.** The ABAG "fair share" need for moderate income housing from 1999-2006 is for 734 units. Since 1999, 483 units have been built or approved, leaving 251 units needed over the next four years. It can be assumed that all market rate rentals, including second units, and lower priced for-sale condominiums, are affordable to moderate income households.

- 2.6 **Target City resources to address remaining ABAG Very Low Income housing needs.** Very low-income housing units almost always require some form of deed restriction to assure they remain affordable over time. The ABAG "fair share" need for very low income housing from 1999-2006 is for 476 units. Since 1999, 255 units have been built or approved, leaving 221 units needed over four years.



- 2.6.1 **Local Funding for Very Low Income Housing:** City housing fund priorities should target very low income housing as a priority since low income housing targets have already been exceeded and moderate income housing can generally be provided through market rate rental housing.
- 2.6.2 **Address Remaining Need for 15 Very Low Income Special Needs Households:** Based on Continuum of Housing and Services data, one out of five (20 percent) of very low income households (95 of the City's total very low income need of 476 units) should be for special needs. The City has already approved 80 very low special needs units (Transitional Housing and Nova-Ro III). This would leave 15 units.
- 2.6.3 **Address Remaining Need for 221 Very Low Income Workforce Housing Units:** Over 75 percent of the 12,130 new jobs projected to be created in Novato over the next 20 years are expected to be lower paying service and retail jobs. Workforce family housing at the very low-income level, especially for smaller households, is needed to provide for this demand.

### Key Findings 3.0 — Adequate Sites and Ability to Meet Housing Needs

- 3.1 **There are adequate sites at sufficient density to achieve Novato's housing needs between 1999-2006.** There are potential sites with adequate densities within the City to meet the remaining need for affordable units. Specific programs identified in the Housing Element are intended to address specific income levels to achieve the City's fair share of units.
- 3.2 **Consider expanding residential inclusionary requirements.** Inclusionary housing requirements are intended to disperse affordable housing throughout Novato. The City's existing ordinance includes a provision giving a developer the option to pay in-lieu fees. Consider the following amendments to the Zoning Ordinance to meet specific income levels:
  - 3.2.1 Mandatory inclusionary housing at the discretion of the City.
  - 3.2.2 Increase the affordable housing inclusionary provisions for new housing development with 5+ units.
  - 3.2.3 Increase in-lieu fees to reflect market conditions, with an effective "in-lieu" fee formula for developments with four or fewer units.
  - 3.2.4 Consider ways to link inclusionary housing requirements more directly to housing needs, such as allowing opportunities to provide *smaller units* to address workforce housing and single person households needs.
- 3.3 **Consider non-residential contributions to housing.** Consider establishing affordable housing contributions for non-residential development. This would include completion of the Nexus Study, currently being undertaken in coordination with the County of Marin and City of San Rafael, to establish the justification and appropriate mechanisms for implementation. This would require amendment to the Zoning Ordinance to implement.



Options include: (1) Providing housing on or off-site; (2) subsidizing mortgages and/or rents; and (3) payment of in-lieu fees.

- 3.4 **Develop architectural guidelines for multi-family housing.** The impacts of housing vary significantly depending upon location, type of housing, size of units and who lives there. Housing can take many shapes and forms, and its ability to blend with existing development is a critical aspect of success. The intent is to enhance neighborhood identity and sense of community by designing new housing to have a sensitive transition of scale and compatibility in form to the surrounding neighborhood. Consider developing design policy and program to establish design principles for the “architectural look” and fit of housing in context to the community.
- 3.5 **Expand incentives for mixed use housing.** There may be instances where it is desirable to reduce or modify development standards in order to encourage desirable types of development. Transit-oriented or mixed use developments make very efficient use of land and offer good examples where flexibility in how parking or FAR standards are applied can result in desirable and more affordable housing development. Consider incentives to encourage more mixed-use housing development in Downtown and other appropriate locations, consistent with the General Plan, such as:
- 3.5.1 **Parking:** Encourage mixed use residential in-fill development by allowing parking alternatives to support housing (e.g. credits or waivers for proximity to transit — off-site parking within 300+/- feet, shared parking, etc.).
- 3.5.2 **Other Regulations:** In appropriate locations, permit increased FAR when residential uses are included as part of development.
- 3.5.3 **Areas Designated:** Evaluate expanding the Mixed Use land use designation to appropriate commercially designated areas - where residential (and possibly office) is permitted above the ground floor.
- 3.6 **Provide policy support for the creation of a Countywide Housing Assistance Team (HAT).** The *Marin Housing Workbook* recommends the creation of a Housing Assistance Team (HAT), coordinated by the Marin County Affordable Housing Strategist and available to assist the staff in all jurisdictions. Possible tasks include: (1) Assistance to City staff in implementing Novato Housing Element programs; (2) help in maintaining Housing Element certification; and (3) technical assistance applicable to housing development.
- 3.7 **Expand opportunities for accessory dwelling units.** Accessory dwelling units, when designed well, are an easy way to provide in-fill, workforce or senior housing. In fact, studies show that half of all second units are rented for \$0 and would be affordable to very low-income households. Improve the opportunities to construct Accessory Dwelling Units, including considering amending zoning standards, and reduced development fee structure (including water and sewer district fees) based on the size and/or affordability of the unit. In addition, consider requiring a percentage of units in new residential developments to include accessory dwelling units.



- 3.8 **Define specific Housing Element implementing programs tasks for the Novato Housing and Services Commission.** The Novato Housing and Services Commission (H&SC) can provide a forum for valuable community discussion of important housing element programs. The H&SC could assist in implementation of specific programs, evaluation of policy options and making recommendations on proposed changes to zoning or specific residential projects. In addition, the H&SC can provide an effective community process to monitor implementation progress, make sure that implementation measures continue to relate to the changing needs of the community; and periodically report to the City Council on the above. The H&SC can also encourage community group/coalition efforts to provide ongoing support for housing element programs.
- 3.9 **Evaluate Neighborhood Housing Opportunities.** Evaluate land use densities for different neighborhoods, such as the Northwest Quad Neighborhood and Downtown, and identify opportunities to facilitate small-scale multifamily housing opportunities (duplexes, triplexes, fourplexes, etc.).



# Housing Vision, Goal and Objectives

## Vision for Housing in Novato

The statement below is intended to amplify the "Vision and Goals for Novato" described in the Introduction to the Novato General Plan (page 6). The purpose of the *Vision for Housing* helps to define what we value, and to take a positive, constructive look at our community and how housing fits into our future. With a clearer idea of what it is we want our community to be like, we can chart a more meaningful and effective course to get there.

### **The Vision for Housing in Novato as Expressed in the Novato Housing Element**

We have preserved and enhanced what we have for so long appreciated about Novato the look and feel of our small town and our heritage, our sense of community, green space, openness, beauty, art, our vital and diverse businesses, and adequate services.

We value the following about housing in Novato:

- 1 People can live, work and play here.
- 2 We have housing choices to fit different needs. We have built mixed use projects in our downtown, above parking lots, within commercial areas, and near transit.
- 3 We have maintained the age and economic diversity of our population. We are socially integrated and our kids can still live here. We value human dignity and our cultural and economic diversity.
- 4 There is creativity in design and types of housing.
- 5 We have support systems and housing in place to help the disenfranchised (homeless, elderly, disabled, and others in need).
- 6 There is a distinct difference between the urban and rural areas of our community. The natural environment is beautiful and fragile natural systems work well.
- 7 Our town is friendly, with lots of interaction and community involvement, and there is coordination with other jurisdictions to address important housing issues in creative and effective ways.

## Housing Goal

The City of Novato is committed to working with other agencies and non-profit organizations to maximize affordable housing opportunities that may exist. It is also important to ensure a "fit" of new housing with the Novato's long-standing commitment to maintain and enhance the high quality of its residential and commercial neighborhoods. The Housing Element strives to achieve the following City of Novato General Plan goal:



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**HOUSING GOAL:** Provide for a variety of housing opportunities for all economic segments of the community through new construction and maintenance of existing housing for an economically and socially diverse population, while preserving the character of the community. Low and moderate income housing of all types (including mobile homes, mobile home and recreational vehicle parks) will be given special consideration.

- Work Together to Achieve the City's Housing Goal
  - Maintain and Enhance Existing Housing and Blend Well-Designed New Housing into Existing Neighborhoods
  - Use Land Efficiently to Meet Housing Needs and to Implement "Smart" and Sustainable Development Principles
  - Provide Housing for Special Needs Populations that is Coordinated with Support Services
  - Build Local Government Institutional Capacity and Monitor Accomplishments to Respond to Housing Needs Effectively
- 

## Housing Objectives

Policies and programs establish the strategies to achieve the maximum number of units that can be rehabilitated, conserved, or constructed. The City's quantified objectives (or targets) are described under each program. Assumptions are based on past program performance, modifications proposed to the programs to achieve better results, construction trends, land availability, and future program funding. The City's housing policies are grouped by the *housing objective topics* described below.

|                  |                                                            |
|------------------|------------------------------------------------------------|
| HO Objective 1:  | Sense of Community and Creation of Successful Partnerships |
| HO Objective 2:  | Equal Housing Opportunities                                |
| HO Objective 3:  | Housing Design                                             |
| HO Objective 4:  | Existing Housing and Neighborhoods Preservation            |
| HO Objective 5:  | Housing, Jobs and Transit Linkage                          |
| HO Objective 6:  | Variety of Infill Housing Choices                          |
| HO Objective 7:  | Mixed Use Housing                                          |
| HO Objective 8:  | Affordable Housing Sites and Incentives                    |
| HO Objective 9:  | Inclusionary Housing                                       |
| HO Objective 10: | Accessory Dwelling Units                                   |
| HO Objective 11: | Special Needs Housing                                      |
| HO Objective 12: | Special Needs Support Programs                             |
| HO Objective 13: | Funding and Financial Equivalent Incentives for Housing    |
| HO Objective 14: | Effective Implementation and Monitoring                    |



# Housing Policies and Implementing Programs

**HO Objective 1 — Sense of Community and Creation of Successful Partnerships:** *Enhance our sense of community by identifying shared responsibilities from all sectors within our community (government, business, neighborhoods, non-profits, etc.) that effectively address the City's housing needs.*

**HO Policy 1.1 Local Government Leadership.**

Affordable housing is an important City priority, and the City will take a proactive leadership role in working with community groups, other jurisdictions and other agencies in following through on identified housing element implementation actions in a timely manner.

**HO Policy 1.2 Community Participation in Housing and Land Use Plans.**

The City will utilize effective and informed public participation from all economic segments and special needs of the community in the formulation and review of housing and land use issues.

**HO Policy 1.3 Neighborhood Responsibilities within Novato.**

The City will seek ways, unique to each neighborhood, to provide some additional housing as part of each neighborhood undertaking its "fair share" responsibility and commitment to help achieve community-wide housing goals.

**HO Policy 1.4 Neighborhood Meetings.** Developers of any major project will be encouraged to have neighborhood meetings with residents early in the process to undertake problem solving and facilitate more informed, faster and constructive development review.

**HO Policy 1.5 Inter-Jurisdictional Strategic Action Plan for Housing.** The City will coordinate housing strategies with other jurisdictions in Marin County as appropriate to meeting the City's housing needs.

## Other Fair Housing Activities

**Documenting Efforts at Equal Housing Opportunity Loans.**

Documenting equal housing opportunity is required of savings and loans as part of the annual Community Reinvestment Act review. A linkage with relevant agencies can assist in assuring equal housing opportunities are being provided.

**Fair Housing of Marin.**

Fair Housing of Marin is a civil rights agency that investigates housing discrimination, including discrimination based on race, origin, disability, gender, and children. Their caseload consists almost entirely of renters. The organization receives approximately 1,200 inquiries a year, of which about 250 are discrimination complaints that are fully investigated. Among other things, Fair Housing of Marin also educates landowners on fair housing laws, provides seminars in English, Spanish, and Vietnamese on how to prepare for a housing search and recognize discrimination, and education programs on the importance of community diversity in schools, which includes

## Implementing Programs

■ **HO Program 1.A Prepare Information and Conduct Community Outreach Activities on Housing Issues.** Coordinate with local businesses, housing advocacy groups, neighborhood groups, and the Chamber of Commerce and participate in the Marin Consortium for Workforce Housing in building public understanding of housing programs and needs.



### *Topics*

- a. Housing needs.
- b. Housing programs (second units, rental assistance, rental mediation, energy assistance and rehabilitation loans, etc.).
- c. Fair Housing laws.

### *Activities*

- a. Provide written material at public locations (including social service centers and at public transit locations, where feasible) and on the City's website.
- b. Provide information to real estate professionals, property owners and tenants on their rights, responsibilities, and the resources available to address fair housing issues.
- c. Work with local non-profit and service organizations to distribute information to the public.
- d. Provide public information through articles in the local newspaper and with cable TV public service announcements.
- e. Work with other public agencies, businesses and community groups, unions, the building and real estate industry, non-profit housing sponsors, school districts, faith-based organizations, health and human service providers, environmental groups, property managers, tenant organizations, and other interested parties within Novato that might be mobilized to help support affordable and special needs housing developments.
- f. Using materials from the Marin Housing Workbook and Novato Housing Element, provide information to improve awareness of housing needs, issues and programs (e.g., PowerPoint presentations; display; pamphlets; and facts sheets).
- g. Fair Housing in-service training, press releases, direct contact with interest groups, and posting of fair housing laws, contacts and phone numbers.

*Responsibility:* Community Development Department; Marin Housing Assistance Team (HAT); Novato Housing and Services Commission (H&SC)

*Timeframe:* Prepare materials by June 2003; initiate actions thereafter through 2006.



■ **HO Program 1.B Collaborate on Inter-Jurisdictional Strategic Action Plan for Housing.** Work toward implementing, whenever possible, agreed-upon “best practices,” shared responsibilities and common regulations to efficiently and effectively respond to housing needs within a countywide framework. The Strategic Action Plan program should be coordinated by the Marin County Affordable Housing Strategist and be available to assist participating cities and towns.

*Responsibility:* Community Development Department; City Council; City Manager  
*Timeframe:* December 2002

■ **HO Program 1.C Undertake Coordinated Lobbying Efforts on State Legislation.** Identify and lobby for possible changes to State law (such as allowances for the County and Cities to voluntarily collaborate in funding and sharing allocations for housing developments in cities, similar to the special exception for Napa County) or other legislation that helps to most effectively implement local housing solutions and achieve housing goals. The City will support legislative changes that will assist in providing housing that helps to address the City’s housing needs. Legislative issues of critical importance would include funding allocations for affordable housing, and modifications to State law that would make it easier for jurisdictions to voluntarily share funding and credit for meeting fair share allocations.

*Responsibility:* Community Development Department; City Manager; City Council  
*Timeframe:* Ongoing as part of HO Program 1.B

**HO Objective 2 — Equal Housing Opportunities:** *Promote equal housing opportunities for all persons and assure effective application of Fair Housing law.*

**HO Policy 2.1 Equal Housing Opportunity.** To the extent possible, the City will ensure that individuals and families seeking housing in Novato are not discriminated against on the basis of race, color, religion, marital status, disability, age, sex, family status (due to the presence of children), national origin, or other arbitrary factors, consistent with the Fair Housing Act.

**HO Policy 2.2 Targeted Marketing.** To the extent consistent with applicable Fair Housing laws, targeted marketing and advance notice of deed restricted rental and ownership units in new housing developments will be provided to people working in Novato (including public employees). The intent is to meet local housing need, consistent with Association of Bay Area Governments (ABAG) Housing Need Determinations, and as a traffic, economic development and community safety mitigation measures, a traffic, economic development and community safety mitigation measure.

### **Implementing Programs**

■ **HO Program 2.A Require Non-discrimination Clauses.** Continue to provide nondiscrimination clauses in rental agreements and deed restrictions for housing, including Below Market Rate housing, constructed with either City participation or with Development Disposition Agreements and Owner Participant Agreements when Redevelopment Agency participation occurs.

*Responsibility:* Community Development Department; City Attorney



*Timeframe: Ongoing*

■ **HO Program 2.B Respond to Complaints.** Refer discrimination complaints to the appropriate legal service, county, or state agency, or Fair Housing of Marin. If mediation fails and enforcement is necessary, refer tenants to the State Department of Fair Employment and Housing or HUD, depending on the nature of the complaint.

*Responsibility: Community Development Department; City Attorney*  
*Timeframe: As needed*

■ **HO Program 2.C Undertake Actions to Prevent Discrimination.** Facilitate fair and equal housing opportunity by designating the Community Development Director as the City's Equal Opportunity Coordinator with responsibility to investigate and deal appropriately with complaints. Undertake activities to broaden local knowledge of Fair Housing laws through actions identified in HO Program 1.A.

*Responsibility: Community Development Department*  
*Timeframe: Ongoing and per HO Program 1.A timeframe*

**HO Objective 3 — Housing Design:** *Assure that new housing is well-designed to be compatible with and enhance our neighborhoods and community as a whole.*

**HO Policy 3.1 Housing Design Process.** The City will review proposed new housing to achieve excellence in development design in an efficient process.

**HO Policy 3.2 Design that Fits into the Neighborhood Context.** It is the City's intent that neighborhood identity and sense of community will be enhanced by designing all new housing to have a sensitive transition of scale and compatibility in form to the surrounding area.

**HO Policy 3.3 Housing Design Principles.** The intent in the design of new housing is to provide stable, safe, and attractive neighborhoods through high quality architecture, site planning, and amenities that address the following principles:

- a. **Reduce the Perception of Building Bulk.** In multi-unit buildings, require designs that break up the perceived bulk and minimize the apparent height and size of new buildings, including the use of upper story stepbacks and landscaping. Application of exterior finish materials and trim, and windows and doors, for example, are important elements of building design and an indicator of overall building quality
- b. **Recognize Existing Street Patterns.** Incorporate transitions in height and setbacks from adjacent properties to respect adjacent development character and privacy. Design new housing so that it relates to the existing street pattern and creates a sense of neighborliness with surrounding buildings.
- c. **Enhance the "Sense of Place" by Incorporating Focal Areas.** Design new housing around natural and/or designed focal points, emphasized through direct pedestrian/pathway connections.



- d. **Minimize the Visual Impact of Parking and Garages.** Discourage home designs in which garages dominate the public facade of the home (e.g., encourage driveways and garages to be located to the side or rear of buildings, or recessed, or along rear alleyways or below the building in some higher density developments).

**HO Policy 3.4 Resource Conservation.** The City will promote development and construction standards that provide resource conservation by encouraging housing types and designs that use renewable and/or sustainable materials, cost-effective energy conservation measures and fewer resources (water, electricity, etc.), and therefore cost less to operate over time, supporting long-term housing affordability for occupants.

**HO Policy 3.5 Renewable Energy Technologies.** Promote the use of sustainable and/or renewable materials and energy technologies (such as solar and wind) in new and rehabilitated housing when possible.

### Implementing Programs

■ **HO Program 3.A Prepare Multifamily Housing Design Criteria.** Continue to implement the Design Review process and prepare design criteria for multifamily housing that will establish effective, consistent development review factors for use by applicants, the community, staff and decision-makers in the expeditious review of multifamily housing proposals.

*Responsibility: Community  
Development  
Department*

*Timeframe: December 2003*

### Other Housing Conservation and Preservation Activities

**Title 24 Requirements.** The City applies Title 24 energy conservation requirements, and, where possible, requires structural and landscaping design to make use of natural heating and cooling.

**Capital Improvement Program.** The annual Planning Commission and City Council review of the City's Capital Improvement Program (CIP) determines what special priorities are needed for capital improvement projects required to maintain the community's residential neighborhoods.

**State Law on Conversion of Mobile Home Parks to Other Uses.** State law (Government Code §65863.7 and §66427.4) regulates conversions of mobile home parks to other uses. In general, the law requires that the developer proposing the change in use of a mobile home park file a report on the impact of the proposed change. These provisions also apply when a closure of a mobile home park is the result of a decision by a local government entity or planning agency. This report must address the availability of adequate replacement housing in mobile home parks and the costs involved in relocating mobile homes to another park. A copy of the report must be provided to the residents of each mobile home park 15 days prior to a hearing, if any, on the impact report by the Planning Commission or the City Council.

The Planning Commission or City Council may require, as a condition of the change, that the developer take steps to mitigate any adverse impact of the conversion, closure, or cessation of use on the ability of displaced mobile home park residents to relocate by finding adequate housing in another mobile home park.

**Rental Mediation.** When rent issues arise, the City can assist efforts to protect renters from unreasonable rental increases through a process of conciliation, mediation and fact-finding consistent with the legal requirements.

**Mobile Home Rent Stabilization.** The City continues to implement its ordinance establishing a system of mobile home rent control.



■ **HO Program 3.B Promote Solar Design.** Develop design standards relating to solar orientation, including lot layout for subdivisions, location and orientation of new structures, landscaping, fences and impervious surfaces to conserve energy.

*Responsibility: Community Development Department*

*Timeframe: December 2004*

■ **HO Program 3.C Establish “Green” Building Standards and Processes.** Adopt a “Green Building Program” to encourage the use of green building materials and energy conservation.

*Responsibility: Community Development Department*

*Timeframe: June 2004*

**Objective 4 — Existing Housing and Neighborhood Preservation:** *Protect and enhance the housing we have and ensure that existing affordable housing “at risk” of conversion to market rates will remain affordable.*

**HO Policy 4.1 Preservation of Residential Units.** The City will discourage the conversion of residential units to other uses and regulate, to the extent permitted by law, conversion of rental developments to non-residential or bed and breakfast uses to protect and conserve the rental housing stock.

**HO Policy 4.2 Condominium Conversions.** Except when the effective vacancy rate for available rental units is more than 5 percent and for limited equity cooperatives and other innovative housing proposals which are affordable to lower income households, the City will, to the extent feasible under State law, conserve its existing multiple family rental housing by prohibiting conversions of rental developments to condominium ownership.

**HO Policy 4.3 Protection of Existing Affordable Housing.** The City will strive to ensure that affordable housing provided through government subsidy programs, incentives and deed restrictions will remain affordable over time, and intervene when possible to help preserve such housing.

**HO Policy 4.4 Maintenance and Management of Quality Housing and Neighborhoods.** The City will encourage good management practices and the long-term maintenance and improvement of existing housing. The City will encourage programs to rehabilitate viable older housing and to preserve neighborhood character and, where possible, retain the supply of very low to moderate income housing.

**HO Policy 4.5 Mobilehomes, Mobilehome Parks, and Manufactured Housing.** The City will strive to protect mobilehomes, mobilehome parks, and manufactured housing as an important source of affordable housing in Novato and will work with residents, property owners, agencies and non-profit groups to seek ways to assist in the long-term protection and affordability of this unique source of housing in the community. If mobile home parks are converted to other uses, the City will require developers to provide relocation assistance (financial and/or other assistance) for current homeowners as well as renters sufficient to cover the resulting dislocation costs to the dislocated mobile home owner or renter.



## Implementing Programs

### ■HO Program 4.A Link Code Enforcement with Public Information Programs.

Implement housing, building and fire code enforcement to ensure compliance with basic health and safety building standards and provide information about rehabilitation loan programs for use by qualifying property owners who are cited. In particular, contact owners of structures that appear to be in declining or substandard condition, offer inspection services, and advertise and promote programs that will assist in funding.

*Responsibility: Community Development Department*

*Timeframe: Ongoing*

■HO Program 4.B Implement Rehabilitation and Energy Loan Programs. Coordinate with the Marin Housing Authority and PG&E to make available loan programs to eligible owner and renter households.

*Responsibility: Community Development Department; Marin Housing Authority; PG&E.*

*Timeframe: Ongoing, with loans provided to rehabilitate very low and low income housing (20 loans in total, with 10 very low income and 10 low income). See also HO Program 1.A.*

■HO Program 4.C Modify the City's Condominium Conversion Ordinance. Include within the City's Condominium Conversion Ordinance: ~~to~~ (1) exemptions for limited equity residential cooperatives which provide long term affordability for very low or low income households; (2) requirements for relocation assistance when units are converted; (3) first right of refusal of purchase of units by occupants; (4) a minimum of 20 percent of the units be affordable to very-low to moderate income households; and (5) implementation of resale controls.

Seek sponsors to utilize State funds to develop a limited equity cooperative (LEC). Specific City actions to achieve this objective include: assessing the viability and process of establishing an LEC; making such information available at the Community Development Department; seeking cooperation and support for this program with the Marin Housing Authority and non-profit housing organizations in the area such as the Ecumenical Association for Housing; and locating potential sites for a LEC.

*Responsibility: Community Development Department; City Council*

*Timeframe: Consider ordinance by June 2004; other activities would be ongoing*

■HO Program 4.D Inventory of Affordable Housing. Maintain an up-to-date inventory of affordable housing in Novato and conduct periodic surveys of rental unit vacancy and affordable for-sale costs. As needed, work with the property owners and/or other parties to ensure that affordable units are conserved as part of Novato's affordable housing stock.

*Responsibility: Community Development Department; HAT*

*Timeframe: Survey by December 2003 and December 2005*



■**HO Program 4.E Acquire Existing Affordable Rental Housing.** Work with non-profit sponsors seeking to acquire and rehabilitate affordable rental housing units in order to maintain ongoing affordability of the units. Actions include, but are not be limited to: (1) contact with non-profits; (2) identification of possible support necessary to obtain funding commitments from governmental programs and non-governmental grants; (3) assistance in permit processing; (4) possible waiver of fees; and (5) possible use of local funds if available.

*Responsibility: Community Development Department; HAT.*

*Timeframe: Ongoing; dependent on non-profit housing sponsor interest; 5 very low, 5 low, and 10 moderate income units acquired*

■**HO Program 4.F Support Volunteer Efforts.** Continue to contact community service clubs and organizations to determine their interest in establishing a volunteer labor-assistance housing improvement program for homeowners physically or financially unable to maintain their properties. Support programs such as "Christmas in April" through financial assistance and/or volunteer work.

*Responsibility: Community Development Department; Housing and Services Commission*

*Timeframe: Ongoing*

■**HO Program 4.G Review Condominium Conversion Ordinance.** Amend the Condominium Conversion Ordinance to be consistent with housing element policy to eliminate allowances for conversion of rental units to condominiums unless the effective vacancy rate for rental housing is more than 5 percent or there are special circumstance related to providing long-term, regulated affordable units.

*Responsibility: Community Development Department; City Council*

*Timeframe: December 2004*

■**HO Program 4.H Identify Mobile Home Park Ownership Opportunities.** Investigate and, as determined appropriate, implement ways to facilitate mobile home park ownership opportunities, including but not limited to: amendment of the Zoning Ordinance to include a designation for mobilehome parks, an assessment district to pay for needed improvements, financial assistance through City housing funds, and the identification of other ownership opportunities for lower income residents.

*Responsibility: Redevelopment; Community Development Department; HAT*

*Timeframe: December 2004*

■**HO Program 4.I Regulate Displacement of Residential Units.** Amend the Zoning Ordinance to regulate the removal or displacement of residential units.

*Responsibility: Community Development Department; City Council*

*Timeframe: December 2004*



- HO Program 4.J Reduce Mobile Home Fees. Identify possible reductions or waiver of some fees for mobilehomes.

*Responsibility: Community Development Department; City Council*

*Timeframe: Consider fee reduction by June 2004*

**HO Objective 5 — Housing, Jobs and Transit Linkage:** *Promote closer linkages between creating housing nearby to where people work and require participation in the City's affordable housing program from commercial, office, industrial and other non-residential uses.*

*Encourage development at maximum densities within an easy walking distance to transit access points--a station or location served by one or more transit lines--where reduced automobile usage and parking requirements are possible. Maximize the use of these limited land resource sites to reduce overall energy, land, water and other costs.*

**HO Policy 5.1 Housing for Local Workers.** City will strive to provide an adequate supply and variety of housing opportunities to meet the needs of Novato's workforce and their families, striving to match housing types and affordability, with household income.

**HO Policy 5.2 Contributions for Workforce Housing from Non-Residential Uses.** Local housing needs for local workers is an important factor for the City when reviewing non-residential development proposals. The City will require non-residential uses to contribute to the provision of affordable workforce housing, such as "in-lieu" fees, provision of housing, or other alternatives of equal value.

**HO Policy 5.3 Employee Housing.** The City will work with employers developing larger projects (20+ employees) to ensure local housing opportunities for their employees and will engage employers in finding ways to provide housing assistance as part of their employee package. The City will work with developers of major projects in mixed use areas to encourage them to consider and propose housing, if feasible.

**HO Policy 5.4 Live/Work Developments.** Live/work units provide workforce affordable housing, generate additional economic activity in the community, and improve the jobs/housing balance. Opportunities for live/work developments, such as in Downtown and other appropriate locations, where housing can be provided for workers on-site or caretaker or other types of housing can be provided, will be encouraged by the City.

**HO Policy 5.5 Transit-Oriented Development Incentives.** Establish land use criteria that facilitate efficient public transit systems, and provide incentives for housing developments within an easy walking distance of transit stops, where reduced automobile use and parking requirements are possible.

**HO Policy 5.6 Regional Transportation/Housing Activities.** The City will coordinate with regional transportation planning activities, and will facilitate transit-oriented housing development by using the incentives and other means provided through local and regional transportation plans.



## Implementing Programs

■**HO Program 5.A Complete Commercial/Housing Nexus Study.** In coordination with Marin County and the City of San Rafael, complete the Nexus Study (already in draft form) to determine appropriate and possible contributions for affordable housing from residential and non-residential uses, and to document the relationship between job growth and affordable housing needs of various types of development.

*Responsibility: Community Development Department*

*Timeframe: June 2003*

■**HO Program 5.B Adopt a Job/Housing Linkage Fee Program.** Adopt a Jobs/Housing Linkage Ordinance with consideration of the following exaction requirements:

- a. Set exaction requirements for dwelling units and in-lieu fees based on empirical evidence to comply with applicable legal tests.
- b. Establish a ratio of affordable housing units to be included with proposed non-residential development (hotels, multimedia centers, big box retail, office, other commercial, or industrial buildings), if feasible. Options may include but are not limited to housing on-site, off-site, subsidizing mortgages or rents, in-lieu fee for housing production).
- c. Establish the payment into a Housing Trust Fund of in-lieu fees based on a dollar amount per square foot of office, commercial, and industrial building development.

*Responsibility: Community Development Department; City Council; City Attorney*

*Timeframe: December 2003*

■**HO Program 5.C Identify Existing Employee Housing Opportunities.** Work with local school districts, public agencies, and existing businesses to seek opportunities for helping their employees find needed housing, such as purchasing or leasing larger facilities to provide local housing opportunities, mortgage buy-downs or subsidies, rent subsidies, etc. Seek the commitment of other organizations, such as the Marin Board of Realtors to have their members encourage employers to address employee housing opportunities.

*Responsibility: Community Development Department; City Council*

*Timeframe: Ongoing as part of HO Program 1.A; initiate actions if opportunities are available*

■**HO Program 5.D Promote Zoning for Live/Work Opportunities.** Review implementation of live/work and home occupation provisions in the Zoning Ordinance to ensure effective standards for home occupations and live/work projects.

*Responsibility: Community Development Department*

*Timeframe: December 2004; implement regulations for live/work as prescribed in the Zoning Ordinance; 6 live/work moderate income units.*



■ **HO Program 5.E Transit-Oriented Development Locations.** The following criteria should be met for a Transit-Oriented Development:

- a. The site is within 0.25 mile distance of a transit route and services (i.e., Downtown, or retail centers where daily goods and services are provided such as markets, dry cleaners, pharmacies, and similar uses).
- b. Potential impacts are mitigated.
- c. Required affordable inclusionary units are provided.
- d. The development provides an excellent, high quality design that fits with the surrounding neighborhood and incorporates attractive and usable common/open areas.
- e. The development provides and/or allows for provision of transit improvements or service as appropriate and feasible for the site.

*Responsibility:* Community Development Department

*Timeframe:* Ongoing

**HO Objective 6 — Variety of Infill Housing Choices:** *Provide a variety of choices in the type, size, cost and location of new housing and more efficient use of existing housing, including the creative and efficient use of vacant sites and redevelopment of built land within established development areas.*

**HO Policy 6.1 Diversity of Population.** Consistent with the community's housing goal, it is the desire of the City to maintain a diversity of age, social and economic backgrounds among residents throughout Novato by matching housing size, types, tenure, and affordability to household needs.

**HO Policy 6.2 Variety of Housing Choices.** In response to the broad range of housing needs in Novato, the City will strive to achieve a mix of housing types, densities, affordability levels and designs. The City will work with developers of "non-traditional" and innovative housing approaches in financing, design, construction and types of housing that meets local housing needs, including, but not limited to, provision of the following types of housing at varying affordability levels:

- a. Owner and renter housing
- b. Small and large units
- c. Single and multifamily housing
- d. Housing close to jobs and transit
- e. Mixed use housing
- f. Supportive housing
- g. Single Room Occupancy units (SRO's)



- h. Shared living opportunities and co-housing
- i. Manufactured housing
- j. Self-help or “sweat equity” housing
- k. Cooperatives or joint ventures
- l. Assisted living

**HO Policy 6.3 Flexibility and Incentives in Development Standards.** The City will seek ways to promote housing, such as increased FAR, height limits and density, and reduced parking, based on the location and design of the development, compatibility with adjacent uses, and the type, size, and income levels of the occupants of the housing. The purpose of this policy is to recognize that smaller, more affordable housing located near transit, jobs and services will generate fewer trips, require less parking, and have fewer area-wide impacts.

**HO Policy 6.4 Retention and Expansion of Multi-Family Sites at Medium and Higher Density.** The City will protect and strive to expand the supply and availability of multi-family infill housing sites for affordable and workforce housing, will make the most efficient use of these sites in meeting local housing needs, and will strive to make sites competitive for subsidies.

**HO Policy 6.5 Hamilton Army Airfield Reuse Plan.** The City will strive to implement the Hamilton Reuse Plan, including the very significant number and scope of affordable housing opportunities.

**HO Policy 6.6 Homesharing.** The City will seek ways to make house sharing, as tenants in common, a viable option for seniors and other groups identified as having special housing needs as a way to make efficient use of existing housing.

### Implementing Programs

■ **HO Program 6.A Implement Redevelopment Agency Housing Programs, Including the Hamilton Army Airfield Reuse Plan.** Continue to implement the provisions of the Hamilton Reuse Plan. Provide funding for local improvements, commercial retail development, and affordable housing within the Redevelopment Project Area through the Novato Redevelopment Agency, and continue to encourage the development of affordable housing by providing technical and financial assistance to reduce the cost of housing.

*Responsibility: Community Development Department; Redevelopment Agency*

*Timeframe: Ongoing through buildout; provide in perpetuity for 60 transitional units, 648 very low, low and moderate income units, and 100 senior condominiums, with 67 moderate income.*

■ **HO Program 6.B Modify Multi-Family Zoning Standards.** Review and amend multi-family residential standards and procedures in order to assure protection and efficient development of multi-family infill housing sites that are consistent with the Novato General Plan and Zoning Ordinance to be developed for affordable and workforce housing. Amendments include:



- a. Establish requirements for minimum densities to be built to ensure that medium and higher density multi-family sites are not developed with lower density housing unless it is certain that physical or environmental constraints will preclude its achievement.
- b. If development on a site is to occur over time, ensure that the proposed development does not prevent subsequent development of the site to at least its minimum density.
- c. Support well-designed multi-family housing at the mid-to high-end of the density range of general plan densities.
- d. List multi-family housing as a permitted use (not a conditional use) in multi-family zones, subject to design review and other routine development review and approval.
- e. Use FAR increases to provide higher density housing in Downtown, Mixed Use and Neighborhood Commercial zones where possible (e.g., where parks and other services would be adequate; and/or near transit stops and other services; and/or on key sites/areas already designated multi-family or mixed use).
- f. Encourage use of planned development zones in order to allow flexibility in applying development standards and to achieve higher densities, particularly where greater affordability can be achieved
- g. Allow density standards to be applied on a net acre basis.
- h. Allow exceptions in some locations to increase the height limit for multi-family buildings when linked to good design.

*Responsibility: Community Development Department; City Council*

*Timeframe: December 2003*

**■HO Program 6.C Implement Actions to Address Remaining Very Low Income Housing Need.** Work with developers, other agencies and the community to address a portion of Novato's remaining very low income housing need by offering incentives such as density bonuses, options for clustering units, mix of unit types, second units, use of Redevelopment Agency Housing Set-Aside or "in-lieu" housing funds, fast-track processing, and reduced fees, as appropriate to the development at the following sites:

- a. Junior High School Site (San Marin/San Andreas — Potential for 10 Very Low Income Units
- b. Hamilton Senior Housing Site/Assisted Living — Potential for 25 Very Low Income Units

*Responsibility: Community Development Department; Redevelopment; City Council*

*Timeframe: December 2004*



■**HO Program 6.D Evaluate Additional Residential and Non-Residential Sites for Multi-Family Housing.** While the Housing Element provides for adequate sites to meet the requirements of State law and to meet its regional housing needs targets, additional sites may be appropriate for housing. Within the identified time frames, evaluate and consider General Plan Amendments and Rezoning of non-residential and/or residential sites, including, but not limited to, those sites as identified in Exhibit B, to multi-family residential and/or mixed use and rezone at least 2.5 acres (some combination of these properties) to accommodate multi-family residential uses at a net density of not less than 25 units per acre. Specific sites include:

*Sites with an Active Application for Land Use Change*

- a. Novato Gateway Center
- b. Novato Gateway South
- c. Old Community Hospital (potential for assisted living)

*Other Sites (See Timeline below)*

- a. Dairymen's Milling Company
- b. Mission Lodge
- c. Bayside Community Church
- d. Barragan Property
- e. Ruzick Property
- f. Senior Access

*Responsibility: Community Development Department; City Council*  
*Timeframe: December 2004*

■**HO Program 6.E Seek Increased Multi-Family Housing Opportunities.** When undertaking Citywide and/or neighborhood General Plan amendments, specific plans, rezonings, or a similar community visioning process, the City will identify sites for multi-family affordable workforce and special needs housing where opportunities are available. Such sites and opportunities may include or consider the following:

- a. Land owned by the City or other governmental agencies (such as school districts).
- b. Re-use of underutilized or non-viable commercial and/or industrial sites.
- c. Parking lots.
- d. Residentially zoned sites where higher density is feasible.



- e. Appropriate sites in single family neighborhoods where duplexes or small multi-family uses would be appropriate.
- f. Prepare area-wide or specific plan environmental baseline data and assessment of development impacts under maximum development scenarios as a way to assess area-wide impacts and required mitigation.
- g. Use environmental assessments to expedite processing for infill and affordable housing, such as linking plans to CEQA exemptions and expedited review, consistent with CEQA Section 15332. *(See below)*
- h. Establish objectives and commitments in the plans so that project-specific review can focus on site-specific issues such as design.
- i. Provide clear guidelines and incentives for the development of housing in conformance with current local and State laws to streamline processing for subsequent development proposals.

*Responsibility: Community Development Department; City Council*

*Timeframe: Ongoing*

**■HO Program 6.F Evaluate Land Uses in all Neighborhoods, including the Northwest Quad.** Evaluate land use densities, applicable General Plan policies, programs and zoning to facilitate a limited number of small-scale multifamily housing opportunities (duplexes, triplexes, fourplexes, etc.). Amend the General Plan Land Use Chapter by deleting the second sentence under Land Use Policy 6, subsection 3.b., to eliminate a density reduction for narrow lots within the Northwest Quadrant.

*Responsibility: Community Development Department*

*Timeframe: December 2003*

**■HO Program 6.G Apply CEQA Exemptions and Expedited Review.** Consistent with CEQA Section 15332 (“Infill Development Projects”), the City will identify opportunities for infill development within urbanized areas consistent with local general plan and zoning requirements that can be categorically exempt from CEQA review. In instances where CEQA Section 15332 would not apply, the City will consider area-wide assessments or Program EIR assessing area-wide infrastructure and other potential “off-site” impacts to expedite the processing of subsequent affordable housing development proposals.

*Responsibility: Community Development Department*

*Timeframe: As opportunities arise*



■ **HO Program 6.H Encourage Co-Housing, Cooperatives, and Similar Collaborative Housing Development.** Work with developers and non-profit housing sponsors to provide housing using a co-housing model or similar approaches that feature housing units clustered around a common area and shared kitchen, dining, laundry and day care facilities, and make zoning revisions that could assist “shared housing,” such as allowing a small meal preparation area in addition to a kitchen in order to facilitate home sharing opportunities, particularly in underutilized, large homes occupied by only 1 or 2 people.

*Responsibility: Community Development Department*

*Timeframe: As opportunities arise*

■ **HO Program 6.I Create Homesharing and Tenant Matching Opportunities.** Continue to participate in the Shared Housing Project in collaboration with the Novato Human Needs Center.

*Responsibility: Community Development Department*

*Timeframe: Ongoing*

■ **HO Program 6.J Zone and Provide Appropriate Standards for SRO Units and Efficiency Apartments.** Establish opportunities for development of SRO’s and efficiency apartments in appropriate locations as lower cost rental alternatives for single person households. Review and revise zoning regulations to encourage additional Single Room Occupancy (SRO) units and efficiency apartments in multi family and mixed use areas. This review should include:

- a. Review and provide appropriate parking, development and management standards, and reduce per unit fees and other standards in recognition of the small size and low impacts of SRO units.
- b. Expand the types of SRO development that may be permitted (e.g., not strictly very low and low income).
- c. Consider zoning provisions to encourage SRO’s and “studio apartments” through the use of density bonus provisions, or other provisions that may equate SRO units or studio apartments on a 2 to 1 basis with 2 bedroom apartments.

*Responsibility: Community Development Department; City Council*

*Timeframe: December 2004*

■ **HO Program 6.K Implement Transfer of Development Rights (TDR).** Identify criteria and enact procedures to encourage Transfer of Development Rights (TDR) if it will result in the development of workforce or special needs affordable housing in appropriate locations.

*Responsibility: Community Development Department*

*Timeframe: December 2004 and then ongoing thereafter*



■**HO Program 6.L Develop School Property for Housing.** Actively work with school districts and neighborhood groups to develop surplus or underdeveloped school property or portions of active schools for affordable housing for teachers and other school personnel. Establish an equitable selection process for school district employees if the district puts up the land and therefore has an equity interest in the housing development.

*Responsibility: Community Development Department; City Manager; City Council*  
*Timeframe: December 2004*

■**HO Program 6.M Update Parking Standards.** Modify parking standards based on the most up-to-date empirical studies to facilitate infill, transit-oriented and mixed use development. The modifications will include but not be limited to the following:

- a. Reduction of multi-family parking requirements for three-or more-bedroom units from 2.2 space to 2.0 spaces, to be consistent with single family home standards.
- b. Reduction of parking requirements for projects near transit.
- c. Provision of opportunities for shared parking for mixed use developments.
- d. Allowances for tandem parking.
- e. Allowances for off-site parking, such as on-street parking or use of public parking for satisfying all or a portion of the parking needs for new housing units, particularly for affordable housing.
- f. Allowances for the establishment of a landscape parking reserve that is designated for parking if needed in the future.
- g. Evaluation of opportunities for undergrounding parking or auto sharing.
- h. Allowances, in certain instances, for parking standards to be adjusted on a case-by-case basis, depending upon the location and characteristics of the development and its intended occupants.

*Responsibility: Community Development Department; City Council*  
*Timeframe: December 2004*

**HO Objective 7 — Mixed Use Housing:** *Encourage housing in non-residential areas where residential use is appropriate to the setting and where mixed use projects can be encouraged to address jobs and housing needs.*

**HO Policy 7.1 Mixed Use Housing.** Well-designed mixed use residential/non-residential developments are highly encouraged by the City where residential use is appropriate to the setting and development impacts can be mitigated, such as in and around the Downtown. The City will develop incentives to encourage mixed use development in appropriate locations.

**HO Policy 7.2 Redevelopment of Shopping Centers.** The City will promote the development of housing in conjunction with the redevelopment of shopping centers when it occurs.



## Implementing Programs

■ **HO Program 7.A Apply Mixed Use Development Standards and Incentives.** Apply existing development code standards to make affordable housing development more feasible in mixed-use zones. Incentives in the Zoning Code to apply, include:

- a. Height limit bonuses, especially in Downtown, when housing is included.
- b. Exceptions in applying development standards (FAR, height limits, setbacks, lot coverage) based on the location, type, and size of the units, and the design of the development.
- c. Allow the residential component of a mixed use development to be “additive” rather than within the established FAR for that zone, and eliminate density requirements for residential uses.
- d. Allow reduced and shared parking based on the use mix.
- e. Allowances for tandem parking and off-site parking leases.

*Responsibility: Community Development Department*

*Timeframe: Ongoing*

■ **HO Program 7.B Potential Mixed Use Sites.** Continue to designate mixed use development with residential units as a permitted use in the Downtown Commercial, Mixed Use and Neighborhood Commercial Zoning Districts.

*Responsibility: Community Development Department*

*Timeframe: Ongoing*

**HO Objective 8 — Affordable Housing Sites and Incentives:** *Make available sites and incentives for the development of long-term affordable housing.*

### **HO Policy 8.1 Density Bonuses and Other Incentives for Affordable Housing Developments.**

The City will use density bonuses and other incentives to help achieve housing goals while ensuring that potential impacts are considered and mitigated. The City will consider the following possible incentives for developments containing a significant percentage of very low or low income units on-site:

- a. **State Density Bonus Law.** Offer density bonuses of at least 25 percent and at least one other incentive consistent with the State Density Bonus Law (Government Code Section 65915), for developments that include at least: (a) 20 percent of the units for lower-income households; or (b) 10 percent of the units for very low income households; or (c) 50 percent of the units for qualifying residents.
- b. **Parking:** Sites within 0.25 mile of a transit stop may be permitted up to a 30 percent reduction in parking required by current code, and tandem parking or off-site parking alternatives will also be considered.



- c. **Relationship of Density to Floor Area, Height and Lot Coverage:** Provide exceptions in applying development standards (e.g. parking, floor area, setback, height standards), subject to the type of housing, size and unit mix, location and overall design. Additional density, beyond the maximum permitted, may be appropriate where units are significantly smaller and would have less impacts than the market norm. *(For example in a multiple residential zone where the norm is 1,200 square foot two bedroom units, two 600 square foot units may be permitted).*
- d. **Facilitating Affordable Housing Development Review.** Affordable housing developments shall receive the highest priority and efforts will be made by staff and decision-makers to: (1) Provide technical assistance to potential affordable housing developers in processing requirements, including community involvement; (2) consider project funding and timing needs in the processing and review of the application; and (3) provide the fastest turnaround time possible in determining application completeness.
- e. **Reduced Planning Processing Fees.** Waive or reduce planning processing fees on a sliding scale related to the levels of affordability, such as a rebate of planning fees for affordable units based on the proportion of such units in the project.

**HO Policy 8.2 Long-Term Housing Affordability Controls.** The City will apply resale controls and rent and income restrictions to ensure that affordable housing provided through incentives and as a condition of development approval remains affordable over time to the income group for which it is intended.

**HO Policy 8.3 “Designated” Affordable Housing Sites.** Given the diminishing availability of developable land, the City will review additional housing opportunity sites or areas where a special effort will be made through incentives and other means to provide affordable housing.

### **Implementing Programs**

■ **HO Program 8.A Apply Density Bonus Zoning and Other Incentives.** Continue to administer the Zoning Ordinance provisions to encourage an increase in the supply of well-designed housing for very low, low and moderate income households. Evaluate the following:

- a. Update fee schedules to reduce and/or defer fees to the extent possible for affordable housing, and encourage other agencies to also do so.
- b. Establish “fast track” processing procedures, CEQA processing incentives, and other mechanisms to fit with funding requirements and to facilitate desirable affordable housing projects that have a significant portion of their total floor area committed to housing.

*Responsibility: Community Development Department*

*Timeframe: Ongoing; evaluate changes by December 2004*



■ **HO Program 8.B Conduct a Detailed Affordable Housing Sites Feasibility Study.** Initiate a housing sites study which, in part, shall review whether any surplus or potentially surplus public or quasi-public lands are appropriate for residential and mixed use development, especially for affordable housing. Consider and evaluate provisions to allow housing projects in light industrial/office districts. Work with neighborhood groups to evaluate sites for their fitness as sites for affordable housing. Issues to be investigated include:

- a. Financial feasibility.
- b. Detailed planning, environmental review, and appropriate zoning.
- c. Site characteristics (access to public services and amenities, potential environmental issues, adjacent land uses, etc.).

*Responsibility: Community Development Department; HAT*

*Timeframe: Ongoing; update by December 2004*

■ **HO Program 8.C Facilitate Development at Key Housing Opportunity Sites, including the Downtown Redevelopment Area.** Undertake appropriate General Plan amendments, rezoning, expedited environmental review (see HO Program 6.G “Apply CEQA Exemptions and Expedited Review”), work with private property owners and/or developers to facilitate consolidation of properties within the Downtown Redevelopment Area, and other implementing actions to facilitate the construction of affordable housing at key sites to meet Novato’s “fair share” of the regional housing need for households in each income category.

*Responsibility: Redevelopment; Community Development Department*

*Timeframe: Ongoing and as opportunities arise*

■ **HO Program 8.D Water and Sewer Fees.** Work with the water and sanitary districts to identify possible reductions or waiver of some fees for water and sewer hook-ups for affordable housing for lower income households.

*Responsibility: Community Development Department; City Council*

*Timeframe: June 2004*

**HO Objective 9 — Residential Inclusionary Housing:** *Strengthen residential inclusionary requirements and incentives to require affordable housing as part of market rate projects.*

**HO Policy 9.1 Inclusionary Housing Approach.** To increase workforce affordable housing construction, the City will continue to require residential developments involving one or more units to provide a percentage of units or an “in-lieu” fee for very low, low and moderate income housing. The units provided through this policy are intended for permanent occupancy and must be deed or rent restricted, including but not limited to single family housing, multi-family housing, condominiums, townhouses, locally approved licensed care facilities, stock cooperatives or land subdivisions.



**HO Policy 9.2 Options for Meeting Inclusionary Requirements.** The primary intent of the inclusionary requirement is the construction of new units on-site, with the focus being multi-family housing developments with deed restrictions to support long periods of affordability. A second priority would be the construction of units off-site, or the transfer of land and sufficient cash to develop the number of affordable units. If these options are not practical, then other alternatives of equal value such as in-lieu fees or rehabilitation of existing units may be considered.

**HO Policy 9.3 Income Levels.** Inclusionary zoning requirements will target very low or low income rental units and low or moderate income ownership units.

**HO Policy 9.4 Long-Term Affordability of Inclusionary Units.** Inclusionary units shall be rent or deed-restricted to maintain affordability on resale to the maximum extent possible (typically in perpetuity).

### Implementing Programs

■ **HO Program 9.A Revise the City's Inclusionary Ordinance.** Revise the inclusionary ordinance to: (1) increase in-lieu fees and the percentage of units required; (2) establish lower income targets for inclusionary units (3) allow for a sliding scale for inclusionary requirements with the option of providing fewer units but at very low income affordability levels; and (4) establish the City's authority in deciding to accept fees in-lieu of affordable units or other options of equivalent value.

*Responsibility:* Community Development Department  
*Timeframe:* December 2003

■ **HO Program 9.B Work with the Marin Housing Authority.** Consider an agreement with the Marin Housing Authority (MHA) for management of all or some of the affordable housing contracts in Novato in order to ensure permanent affordability, and implement resale and rental regulations for low and moderate income units and assure that these units remain at an affordable price level.

*Responsibility:* Community Development Department ; Marin Housing Authority  
*Timeframe:* December 2004

### City of Novato Affordable Housing Ordinance

**Affordable Housing Ordinance.** The City of Novato has enacted an Affordable Housing Ordinance which establishes inclusionary housing requirements. The ordinance sets out the following:

- (1) Level of affordability;
- (2) Size of project;
- (3) Type and cost of market-rate units in the project,
- (4) Value of incentives provided to the developer. (Incentives can include, but are not limited to, density bonuses meeting or exceeding the requirements of State law and density transfers among properties);
- (5) Income guidelines;
- (6) Household unit size guidelines; and,
- (7) Purchase price and/or rent levels as appropriate, as well as equitable means for developers to provide rental and ownership units.

The units designated as affordable to very-low- to moderate-income households are deed-restricted or rent controlled to ensure continued affordability of these units. The Ordinance specifies the proportion of affordable units required for each of the income categories, and includes criteria for



**HO Objective 10 — Accessory Dwelling Units:** *Encourage well-designed, legal accessory dwelling units in all residential neighborhoods.*

**HO Policy 10.1 New Accessory Dwelling Units.** Enable construction of well-designed accessory dwelling units in both new and existing residential neighborhoods, consistent with minimum lot size, parking and street capacity, as an important way to provide workforce and special needs housing.

**HO Policy 10.2 Accessory Dwelling Units in New Subdivisions.** When new single family subdivision developments with four or more new units are proposed, consider requiring some second units (unequal duets) and occasional duplexes.

**HO Policy 10.3 Accessory Dwelling Unit Affordability.** When local funding is used to assist in the construction of an accessory dwelling unit, the City will require a use agreement to ensure that second unit rents are affordable to lower income persons.

**HO Policy 10.4 Legalization of Existing Accessory Dwelling Units.** The City should consider creating an amnesty program for illegal accessory dwelling units which provides a period of time for owners of un-permitted units to legalize their units by obtaining permits and waving penalties. In exchange for the waiving of penalties, the property owner should provide assurances of the continued affordability of the unit.

### **Implementing Programs**

■ **HO Program 10.A Modify Accessory Dwelling Unit Development Standards and Permit Process.** Continue to allow accessory dwelling units, and review and modify the following accessory dwelling unit development requirements to be consistent with new State law (AB 1866). Consider the following in light of State law requirements when this review and modification occurs:

- a. Establish accessory dwelling units as a permitted “use by right” when the single family lot, primary structure and second unit meet all of the zoning and building development standards established for the zoning district in which they are located, and adequate traffic safety and parking is available. Second units approved “by right” should be limited in size to a maximum of 650 square feet.
- b. Continue to require design review for second units that meet performance standards and design guidelines, and continue to allow processing of the application at the staff level. Continue to provide adequate noticing and early neighborhood involvement in the process.
- c. Provide exceptions to parking requirements, possibly by permit, where the unit is located near to transit or in a neighborhood which has wider streets with street parking readily available.



- d. Limit fees in recognition of the small size and low impacts of accessory dwelling units and to encourage the creation of units, especially if the owner executes a BMR agreement on the unit.

*Responsibility: Community Development Department; City Council; Housing and Services Commission*

*Timeframe: June 2003*

**■HO Program 10.B Establish an Amnesty Program for Un-Permitted Second Units.**

Establish an amnesty program for unpermitted second units in order to increase the legal housing stock while assurances are made of continued affordability of the unit as low income housing, such as agreement to accept Section 8 vouchers or other mechanisms to assure affordability to low income household. A specific period of time will be allowed for owners of illegal units to register their units and make them legal without incurring fines, along with assurances of long-term affordability of the unit.

*Responsibility: Community Development Department; Housing and Services Commission; City Council*

*Timeframe: December 2004*

**HO Objective 11 — Special Needs Housing:** *Provide housing for population groups who require special assistance (special needs include: Homeless persons; people with disabilities; the elderly; people with serious illnesses, substance abuse or mental health issues; large families; female-headed households; farmworkers; and other persons identified as having special housing needs in the community.*

**HO Policy 11.1 Special Needs Groups.** The City will actively promote the development and rehabilitation of housing to meet the needs of special needs groups, including the needs of seniors, people living with disabilities, farmworkers, the homeless, people with HIV/AIDS and other illnesses, people in need of mental health care, single parent families, large families, and other persons identified as having special housing needs in Novato.

**HO Policy 11.2 Provision of Affordable Housing for Special Needs Households.** The City will continue to work with groups to provide opportunities through affordable housing programs for a variety of affordable housing to be constructed or acquired for special needs groups, including assisted housing and licensed board and care facilities. Specific types of housing include:

- a. Smaller, affordable residential units, especially for lower income single-person households.
- b. Affordable senior housing to meet the expected needs of an aging population, including assisted housing and board and care (licensed facilities).
- c. Affordable units with three or more bedrooms for large family households.
- d. Affordable housing that can be adapted for use by people with disabilities (specific standards are established in California Title 24 Accessibility Regulations for new and rehabilitation projects).



**HO Policy 11.3 Density Bonuses for Special Needs Housing.** The City will use density bonuses per State Density Bonus law to assist in meeting special housing needs housing for lower income elderly and disabled, consistent with roadway capacity, parking needs and neighborhood scale. Senior care facilities, including residential care facilities serving more than six people, shall be treated as a commercial service use subject to specific affordability requirements and FAR to allow higher density.

**HO Policy 11.4 Group Residential Care Facilities.** The City will continue to comply with state and federal law by allowing group homes with special living requirements consistent with the City's land use regulations.

**HO Policy 11.5 Family Housing Amenities.** Ensure that adequate provisions are made in new developments for families with children, including consideration of amenities such as tot lots, play yards, and child care.

**HO Policy 11.6 Housing for the Homeless.** Continue to support the New Beginnings Center Homeless Shelter at Hamilton Field, including its integration with job training and housing placement programs. The City will support countywide programs to provide for a continuum of care for the homeless including emergency shelter, transitional housing, supportive housing and permanent housing.

### **Implementing Programs**

■ **HO Program 11.A Assure Good Neighborhood Relations Involving Emergency Shelters and Residential Care Facilities.** Continue to encourage positive relations between neighborhoods and providers of emergency shelters and residential care facilities. As exists with the providers or sponsors of the approved transitional housing programs at Hamilton Field and community care facilities like Novato Human Needs Center, providers (existing and new) will be encouraged to continue outreach programs with their neighborhoods. The following could be considered:

- a. It is recommended that a staff person from the provider agency be designated as a contact person with the community to respond to questions or comments from the neighborhood.
- b. Outreach programs could designate a member of the local neighborhood to their Board of Directors.
- c. Neighbors of emergency shelters, transitional housing programs, and community care facilities should be encouraged to provide a neighborly and hospitable environment for such facilities and their residents.

*Responsibility: Community Development Department*

*Timeframe: Ongoing*



■ **HO Program 11.B First Time Homebuyer Programs.** Facilitate first time homebuyer program training and combine such programs with housing counseling programs.

*Responsibility:* Community Development Department; HAT

*Timeframe:* Ongoing and through implement of HO Program 1.A

■ **HO Program 11.C Government Employees Housing.** Develop and implement the Hamilton Field Affordable Housing Plan, which includes an Affordable Workforce Housing Resident Selection Plan for City employees, including the Novato Fire Protection District, Novato Sanitary District, North Marin Water District, Novato Community Hospital, Novato Unified School District, and other public entities with jurisdiction in the county of Marin working in or serving the residents of Novato. Developing this type of housing means that key personnel would not have to travel from out of Novato to respond to emergency and/or other calls thereby improving response particularly for emergencies.

*Responsibility:* Community Development Department; City Council

*Timeframe:* June 2003 — units under construction; ongoing thereafter

**HO Objective 12 — Special Needs Support Programs:** *Provide housing assistance for special needs and link housing to health and human services programs helping meet the needs of seniors, people with disabilities, homeless and others.*

**HO Policy 12.1 Rental Assistance Programs.** The City will continue to publicize and create opportunities for using available rental assistance programs, such as the project-based and tenant-based Section 8 certificates programs, in coordination with the Marin Housing Authority (MHA). The City will also continue to support the use of Marin Community Foundation funds for affordable housing and continue to participate in the Rebate for Marin Renters program administered through the Marin Housing Authority (MHA).

**HO Policy 12.2 Health and Human Services Programs Linkages.** As appropriate to its role, the City will seek ways to link together all services serving lower income people to provide the most effective response to homeless or “at risk” individuals by providing a highly responsive set of programs corresponding to the unique needs of all sub-populations which make up the County’s homeless population, including adults, families, youth, seniors, and those with mental disabilities, substance abuse problems, HIV/AIDS, physical and developmental disabilities, multiple diagnoses, veterans, victims of domestic violence, farmworkers, and other economically challenged or underemployed workers.

**HO Policy 12.3 Emergency Housing Assistance.** Participate and allocate funds, as appropriate, for County and non-profit programs providing emergency shelter and related counseling services.

### **Implementing Programs**

■ **HO Program 12.A Assist in the Effective Use of Available Rental Assistance Programs.** Develop and implement measures to make full use of available rental assistance programs. Actions include:

- a. Requiring that owners of apartment units accept Section 8 vouchers.



- b. Maintaining descriptions of current programs and contacts to hand out to interested persons.
- c. Providing funding support, as appropriate (the City provides financial assistance to the Novato Human Needs Center).
- d. Coordinate with the Marin Housing Authority on rental housing assistance programs, such as Shelter Plus Care, AB2034, HOPWA, the Rental Assistline, Rental Deposit Program, and Welfare to Work Program.

*Responsibility: Community Development Department; Marin Housing Authority*

*Timeframe: Ongoing*

■**HO Program 12.B Maintain Programs to Address Homeless Needs.** Continue to support the 80 bed New Beginnings Center with training and educational services, and actively support the completion of the Continuum of Care's 60 units of transitional housing to be constructed as a part of the Hamilton Reuse Plan.

*Responsibility: Community Development Department; City Council*

*Timeframe: Ongoing*

**HO Objective 13 — Funding and Financial Equivalent for Housing:** *Be aggressive and creative in finding ways to increase ongoing local funding resources and/or financial equivalent incentives for lower income and special needs housing.*

**HO Policy 13.1 Local Funding for Affordable Housing.** The City will seek ways to reduce housing costs for lower income workers and people with special needs by continuing to utilize local, state and federal assistance to the fullest extent possible to achieve housing goals and by increasing ongoing local resources. This would include efforts to:

- a. Promote residential opportunities in the City's redevelopment area, as appropriate, through the unique powers of the Redevelopment Agency.
- b. Provide technical and financial resources to support development of affordable housing in the community, especially housing that meets the needs of the local workforce, people with special housing needs, and people with moderate, low and very low incomes.
- c. Partner with the philanthropic organizations to help finance affordable housing developments and continue to participate in other rental assistance programs, mortgage buy-downs, land acquisition, etc.
- d. Work with affordable housing developers in obtaining mortgage revenue bonds and/or mortgage credit certificates, thereby promoting home ownership and rental housing opportunities for moderate and lower income households.

**HO Policy 13.2 Coordination Among Projects Seeking Funding.** Ensure access to, and the most effective use of, available funding in Novato by providing coordination among affordable housing developments that seek funding from various sources.



**HO Policy 13.3 Local Housing Impact Fees.** Continue to implement and update, as needed, in-lieu fee provisions for residential development and consider the application of in-lieu fees for non-residential development.

**HO Policy 13.4 Land Acquisition and Land Banking.** Consider financial equivalent options for affordable housing and special needs housing including land acquisition and land banking.

### **Implementing Programs**

■ **HO Program 13.A Maintain and Develop Local Sources of Funding for Affordable Housing.** Develop permanent local sources of funding to support affordable housing, including consideration of:

- a. Update in-lieu fee payments under inclusionary requirements for residential development.
- b. Adopt in-lieu fee payments under inclusionary requirements for non-residential development.
- c. Voluntary donations, grants and matching funds.
- d. Land acquisition or donation and land banking.
- e. Work with special districts that serve Novato to provide a reduction(s) in connection fees for deed restricted affordable very low income units.

*Responsibility: Community Development Department; City Manager; City Council*

*Timeframe: June 2003; ongoing*

■ **HO Program 13.B Seek Funding Resources.** Seek matching grant funds to leverage the City's affordable housing funds for specific projects and programs (such as mortgage buy-downs, etc.). Potential sources of funding include, but are not limited to:

- a. CDBG/HOME
- b. Marin Community Foundation
- c. Applications for mortgage revenue bonds and/or mortgage credit certificates
- d. Housing Trust Fund
- e. Tax Credit Allocation

*Responsibility: Community Development Department; City Manager; City Council*

*Timeframe: Ongoing*



■**HO Program 13.C Coordinate Funding Among Development Proposals.** The City of Novato will pursue and/or participate in efforts to ensure adequate coordination between jurisdictions and development proposals on their various housing activities and funding proposals, ensuring that local projects are competitive for outside funding sources and resources are used in the most effective manner possible.

*Responsibility:* Community Development Department; City Council; Redevelopment  
*Timeframe:* Ongoing

■**HO Program 13.D Utilize Redevelopment Housing Funds.** Use the unique powers and resources of the City's Redevelopment Agency to meet the City's housing needs, especially the remaining very low income household need, and to implement the following Housing Element Programs:

- a. HO Program 4.H, Identify Mobile Home Park Ownership Opportunities
- b. HO Program 6.A, Implement Redevelopment Agency Housing Programs, Including the Hamilton Army Airfield Reuse Plan.
- c. HO Program 6.C, Implement Actions to Address Remaining Very Low Income Housing Need.
- d. HO Program 8.C, Facilitate Development at Key Opportunity Sites, including the Downtown Redevelopment Area.
- e. HO Program 9.B, Work with the Marin Housing Authority.
- f. HO Program 13.C, Coordinate Funding Among Development Proposals.

*Responsibility:* City Council; Redevelopment  
*Timeframe:* Ongoing

**HO Objective 14 — Effective Implementation and Monitoring:** *Take a proactive approach in sharing resources to effectively create and respond to opportunities to achieve housing goals. Establish standardized methods (procedures, definitions, responsibilities, etc.) for the effective and efficient management of housing data for Novato and among all jurisdictions in Marin and to establish a regular monitoring and policy/actions/priorities update process to assess needs achievements on an ongoing basis, and to effectively respond to changing conditions and the changing needs of the population over time.*

**HO Policy 14.1 Novato Housing and Services Commission.** The Novato Housing and Services Commission (H&SC) will provide a forum for valuable community discussion of important housing issues and the progress of specific Housing Element programs. Specific activities will be identified in program actions. They include, but are not limited to:

- a. Development of proposed ordinances applicable to housing and associated services.
- b. Monitoring implementation progress.



- c. Making sure that implementation measures continue to relate to the changing needs of the community.
- d. Encouraging community group/coalition efforts to provide ongoing support for housing element programs.
- e. Periodically reporting to the City Council on progress.

**HO Policy 14.2 Organizational Effectiveness.** In recognition that there are limited resources available to the City to achieve housing goals, the City will seek ways to organize and allocate staffing resources effectively and efficiently to implement the programs of the housing element. Opportunities to enhance Novato's capabilities may include:

- a. Sharing or pooling resources and coordinating tasks among multiple jurisdictions in implementing common housing programs.
- b. Creation of a countywide Housing Assistance Team (HAT) to provide technical expertise to staff in working with affordable housing developments and implementing programs.
- c. Identification of information resources.
- d. Establishment, where possible, of "best practices" and common rules, regulations and requirements as they relate to housing.
- e. Enhancing relationships and partnerships with non-profit service providers.
- f. Establishment of standardized methods (procedures, definitions, responsibilities, etc.) linked to housing programs to enable the effective and efficient management of housing data.

**HO Policy 14.3 Housing Element Monitoring, Evaluation and Revisions.** The City will continue to provide and refine its regular monitoring system to track residential development to assess housing needs and achievements, and to provide a process for modifying policies, programs and resource allocations as needed in response changing conditions.

### **Implementing Programs**

■ **HO Program 14.A Conduct an Annual Housing Element Review.** Provide an annual assessment of housing element implementation through annual review by the Novato Housing and Services Commission. Provide opportunities for public input and discussion, in conjunction with State requirements for a written review each year (per Government Code Section 65583(3)). Based on the review, establish annual work priorities for staff and the Housing and Services Commission.

*Responsibility:* Community Development Department; Housing and Services Commission  
*Timeframe:* Annually



■**HO Program 14.B Update the Housing Element Regularly.** Undertake housing element updates as needed, including an update to occur no later than June of 2006, in accordance with State law requirements.

*Responsibility: Community Development Department; Housing and Services Commission; City Council*

*Timeframe: June 2006*

■**HO Program 14.C Support Establishment of a Countywide Housing Assistance Team (HAT).** Coordinate with other jurisdictions in establishing a Countywide Housing Assistance Team (HAT) who can provide technical expertise and staffing to advise and assist City staff in implementing housing programs and facilitating development of partnerships with affordable housing developers for specific projects.

*Responsibility: Community Development Department; City Manager; City Council*

*Timeframe: Establish by June 2003; ongoing thereafter*

■**HO Program 14.D Conduct Staff Training.** Conduct training sessions with City and Agency staff to review potential constraints and opportunities to create affordable housing, including housing needs, finance, issues such as delay and density, and management.

*Responsibility: Community Development Department; HAT*

*Timeframe: Ongoing*

■**HO Program 14.E Support Establishment of a Countywide Housing Data Clearinghouse.** Support through coordination and other means, as determined appropriate for the City, the establishment of a central housing data clearinghouse with up-to-date information on housing conditions for Novato and the County (by jurisdiction), best practices, State law, funding opportunities, and related housing information. Procedures for data collection and tracking will need to be established. The data will provide the following information:

- a. Annually monitor and evaluate progress by jurisdiction, including residential building activity by housing type and affordability, indicators of housing need, and progress towards meeting housing element program targets.
- b. Provide opportunities for sharing successes in implementing affordable housing programs (photos, project and process description, public handouts, etc.).
- c. Serve as a resource library on best practice ideas, funding sources, relevant reports and related resources, etc.
- d. Provide a basis for annual reports to HCD, as required by State law.
- e. Maintain an up-to-date inventory of all subsidized and deed restricted units by jurisdiction in Marin County.
- f. Monitor the relationship between housing and employment development by preparing a study which analyzes recent and anticipated types, numbers and



incomes of jobs by industry, sets up an ongoing monitoring program, and develops strategies to further address housing and jobs linkages.

- g. Monitor the availability and cost of rental units, including second units. The purpose of this reporting is to establish a monitoring system to determine the vacancy rate and extent of rent increases occurring within Novato relative to other localities.

*Responsibility: Community Development Department; HAT*

*Timeframe: Establish by June 2003; Annually thereafter*



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## Appendix A

# Evaluation of Current Housing Element Programs

## Overview

The overall goal of the 1990 Housing Element was to provide for a variety of housing opportunities through new construction and maintenance of existing housing for an economically and socially diverse population, while preserving the character of the community. Low and moderate income housing of all types (including mobile homes, mobile home and recreational vehicle parks) were to be given special consideration. This section summarizes and evaluates the implementing programs of the 1990 Housing Element. It focuses not only on “what happened” but also on what has been learned that could be applied in the current update to make the City’s Housing Element more effective in responding to local housing needs.

The table to the right summarizes the “quantified objectives” identified in the City’s 1990 Housing Element. At the end of this section is table with a program-by-program evaluation.

HO Table A1: Summary of 1990 Novato Housing Element Accomplishments and Quantified Objectives (1990-2002)

| 1990 Housing Element Program (Number and Title) |                                                                                  | Very Low Income | Low Income | Moderate Income | Above Moderate Income | Total |
|-------------------------------------------------|----------------------------------------------------------------------------------|-----------------|------------|-----------------|-----------------------|-------|
| 1.1                                             | Housing Rehabilitation Program                                                   | 10              | 10         | 30              | 0                     | 50    |
|                                                 | <i>Achievements</i>                                                              | 24              | 33         | 0               | 0                     | 57    |
| 8.2                                             | Mixed Use Development*                                                           | 26              | 30         | 77              | 555                   | 688   |
|                                                 | <i>Achievements</i>                                                              | 0               | 0          | 0               | 0                     | 0     |
| 8.3                                             | Land for Multiple-Family Housing                                                 | 10              | 15         | 60              | 0                     | 85    |
|                                                 | <i>Achievements</i>                                                              | 0               | 114        | 367             | 0                     | 481   |
| 10.5                                            | Accessory Dwelling Unit Construction                                             | 0               | 0          | 40              | 10                    | 50    |
|                                                 | <i>Achievements</i>                                                              | 2               | 30         | 33              | 0                     | 65    |
| 10.6                                            | Live/Work Ordinance                                                              | 0               | 0          | 5               | 35                    | 40    |
|                                                 | <i>Achievements</i>                                                              | 0               | 0          | 0               | 0                     | 0     |
| 11.1                                            | Affordable Housing Ordinance*                                                    | 126             | 211        | 509             | 0                     | 846   |
|                                                 | <i>Achievements</i>                                                              | 0               | 0          | 0               | 0                     | 0     |
| 11.5                                            | Density Bonus*                                                                   | 10              | 20         | 0               | 0                     | 30    |
|                                                 | <i>Achievements</i>                                                              | 0               | 0          | 0               | 0                     | 0     |
| 11.7                                            | Construction of Smaller Single Family Dwellings                                  | 0               | 0          | 5               | 15                    | 20    |
|                                                 | <i>Achievements</i>                                                              | 0               | 0          | 66              | 110                   | 176   |
| 11.8                                            | Redevelopment Agency*                                                            | 25              | 35         | 40              | 0                     | 100   |
|                                                 | <i>Achievements</i>                                                              | 0               | 0          | 0               | 0                     | 0     |
| 12.1                                            | Additional Housing for Seniors                                                   | 50              | 50         | 50              | 100                   | 250   |
|                                                 | <i>Achievements</i>                                                              | 40              | 130        | 100             | 0                     | 270   |
| 13.1                                            | Accessible Units for the Physically Disabled                                     | 10              | 15         | 30              | 0                     | 55    |
|                                                 | <i>Achievements</i>                                                              | 0               | 8          | 0               | 72                    | 80    |
| 14.1                                            | Incentives for Large Families                                                    | 5               | 15         | 5               | 0                     | 25    |
|                                                 | <i>Achievements</i>                                                              | 153             | 317        | 178             | 1,945                 | 2,593 |
| 16.1                                            | Homelessness Prevention in Novato                                                | 60              | 65         | 0               | 0                     | 125   |
|                                                 | <i>Achievements</i>                                                              | 102             | 101        | 0               | 0                     | 203   |
| 17.1                                            | Site Designation for Homeless (Hamilton Service Center) and Transitional Housing | 30              | 0          | 0               | 0                     | 30    |
|                                                 | <i>Achievements</i>                                                              | 60              | 0          | 0               | 0                     | 60    |
| Total Quantified Objectives                     |                                                                                  | 362             | 466        | 851             | 715                   | 2,394 |
|                                                 | <i>Achievements</i>                                                              | 381             | 733        | 744             | 2,127                 | 3,985 |
| Percent of Quantified Objectives Achieved       |                                                                                  | 105%            | 157%       | 87%             | 297%                  | 166%  |

\*Achievements in these programs overlap with other programs such as 8.3, 12.1, 13.1, 14.1



## **Discussion and Evaluation of Current Housing Element Programs**

### **1.1 Housing Rehabilitation Program; 1.2 Capital Improvement Program; and 1.3 Neighborhood Land Use Compatibility**

The City of Novato has actively worked to conserve housing affordable to very low to moderate income groups. The City continues to participate in the Marin County Housing Authority's Housing Rehabilitation Program, which served 43 residents in 1999 and 48 residents in 2000. In addition, the City contributed over \$5,000 to the Christmas in April Program both in 2000 and 2001; a total of nine homes were assisted. The City continues to carry out annual Capital Improvement Program review, often determining future CIP projects based on neighborhood comments and concerns. This program is also effective in addressing residents' concerns of maintaining neighborhood character with in-fill projects.

### **2.1 Regulate Displacement and 2.2 Residential Zoning**

The City of Novato has recently completed a comprehensive update of the Zoning Ordinance, which included an amendment regulating displacement of residential units. The removal and displacement of residential units has also been indirectly satisfied in the City's Redevelopment areas by the Redevelopment requirement to replace removed residential units on a 1:1 ratio. In the City's Zoning Ordinance update, incentives were included to encourage residential units within commercial zones, including the Downtown and Neighborhood Commercial districts, and other mixed-use strategies. In addition, the City discourages the conversion of properties from residential to non-residential uses.

### **3.1 Shared Housing Programs**

House sharing programs match up senior citizens living in larger homes with vacant bedrooms with those seeking to share housing. This type of program has been successfully implemented in other communities and often enables senior citizens to stay in their own homes. As part of their homelessness prevention programs, the Novato Human Needs Center (NHNC) provides a "Shared Housing Program" funded by Redevelopment Agency housing set-aside funds. The Novato Human Needs Center's "Housing Assistance Program" prevents homelessness in northern Marin by providing rental/deposit assistance and housing advocacy to individuals and families in need. In the first nine months of fiscal year 1999/2000, NHNC provided rental assistance to 203 households, of which 50 were funded by Redevelopment Agency funds. The remaining 153 households were assisted by private donor funds.

### **4.1 Condominium Conversions**

The Condominium Conversion Ordinance has yet to be amended to exempt limited equity residential cooperatives which provide long term affordability for the units by requiring relocation assistance when units are converted; first right of refusal of purchase of units by occupants; a minimum of 20 percent of the units be affordable to very-low to moderate income households; and implementation of resale controls. It should be noted that, to date, no conversions have been proposed.

### **5.1 Mobile Home Rent Stabilization and 5.2 Mobile Home Park Ownership Opportunities**



There are 527 mobile homes located in two senior-only (55 years or older) mobile home parks in Novato. The City of Novato and the Novato Redevelopment Agency formed a joint powers agreement, the Novato Financing Authority (NFA) for acquisition and to hold title to the Marin Valley Mobile Country Club Park. The City of Novato took this action to ensure long-term rent stabilization for very-low, low and moderate income seniors. Pursuant to the acquisition documents of the Marin Valley Mobile Country Club Park acquisition project, the Novato Redevelopment Agency provided a \$130,000 pledge of payment of debt service on the subordinate bonds. By this action, the City of Novato established a minimum of 80 units affordable in the very low, low, and moderate (20, 20, 40) income categories. Currently, there are over 200 mobile home owners in these categories within the Park.

### **6.1 Mobile Home Conversion Ordinance**

State law (Government Code §65863.7 and §66427.4) regulates conversions of mobile home parks to other uses. In general, the law requires that the developer proposing the change in use of a mobile home park file a report on the impact of the proposed change. These provisions also apply when a closure of a mobile home park is the result of a decision by a local government entity or planning agency. This report must address the availability of adequate replacement housing in mobile home parks and the costs involved in relocating mobile homes to another park. A copy of the report must be provided to the residents of each mobile home park 15 days prior to a hearing, if any, on the impact report by the Planning Commission or the City Council.

The Planning Commission or City Council may require, as a condition of the change, that the developer take steps to mitigate any adverse impact of the conversion, closure, or cessation of use on the ability of displaced mobile home park residents to relocate by finding adequate housing in another mobile home park. For example, Redwood Mobile Home Park was approved for closure in 2001 where all 42 tenants are being provided relocation assistance under an agreement with the owner. Thus, a separate ordinance may no longer be needed as the City of Novato is seeking other means of ensuring long-term affordability, which must also be balanced with the intent of not losing affordable housing units.

### **7.1 Hamilton Reuse**

In 1995, the Hamilton Reuse Plan was approved by the Hamilton Reuse Authority and the City Council. After approval of the Reuse Plan, the City entered into negotiations with the Navy regarding the purchase of the property. During this negotiation period, the City formed the Hamilton Redevelopment Area and the Reuse Plan was adopted as both the Redevelopment Plan and the Master Plan for the area. In 1999, the process of selection of a Master Developer was initiated through a Request for Qualifications and a subsequent Request for Proposal. A lengthy negotiation process led to the selection of Novato Community Partners (NCP) as the Master Developer for the Hamilton Redevelopment Area. After their selection, the City also approved a Development Agreement, which included requirements for 648 affordable units, 60 transitional units and 100 senior (67 specifically deed restricted as moderate income affordable) condominiums.

The Hamilton Reuse Plan has allowed the City to greatly increase its number of affordable units and to better meet affordable housing need. During Fiscal Year 2000/2001, the City Council of the City of Novato approved Rafael Village Housing and Capehart/Hillside Housing. Approval of the Master Plan, Precise Development Plan, and Tentative Map for these sites paves the way for development of a total of 1,152 new residential units. Final Map and improvement plans are currently under review. Construction is scheduled to commence in April of 2002.



The Hamilton Field project involves the redevelopment of 648 exiting units in the Capehart/Hillside area, which will be a combination of townhomes and apartment housing affordable to very low, low, and moderate income levels. In addition, 60 transitional units in the Capehart/Hillside area will be developed by the Continuum of Housing and Services and EAH, two non-profit organizations. Rafael Village will comprise 444 units, of which 344 are market rate single-family homes, and 100 are a condominium complex for Seniors. Of those 100, 67 are affordable to moderate income seniors, and protected under a deed restriction.

### **8.1 Areas Available for Housing; 8.2 Mixed Use Developments; and 8.3 Land for Multiple-Family Housing**

In April 2001, the City of Novato completed a comprehensive update of the Novato Zoning Ordinance and Zoning Map. The amended Zoning Code includes new Zoning Districts and development standards bringing the Zoning Ordinance and Map into conformance with the Novato General Plan. With regard to the above listed housing programs, the Zoning Code and Map were revised to include a Mixed Use zoning district and live/work standards. The Mixed Use zoning district is applied to areas surrounded by land currently developed with both commercial and residential land uses. Further, an increase in density/intensity is provided for developments that include housing. Typical land uses permitted include retail, office, and residential uses. The Mixed Use zoning district is consistent with the Mixed Use General Plan Land Use designation. Additionally, development standards specific to Mixed Use projects have been incorporated into the updated Zoning Code. The standards include provisions controlling the mix of uses, density, floor area ratio, and location of residential units.

The City has facilitated the development of multifamily units through the recent revision of its Zoning Ordinance, which included amendments to encourage mixed use. Amendments to conform with the General Plan land use designations of Mixed Use, Downtown and Neighborhood Commercial were also made. City staff is working with landowners in the downtown Novato area to identify and define mixed use opportunities in the downtown, and potential General Plan amendments are proposed to provide for mixed use on two commercial sites in the Downtown.

### **9.1 City Regulations and 9.2 Development Fees**

There are a number of lots in the City's residential areas that have not been developed. This may be due in part to constraints imposed by City regulations. Eliminating or streamlining such constraints, while ensuring that in-fill housing meets comprehensive urban design standards, is necessary to ensure that in-fill housing is well-designed and enhances the existing neighborhood. Analysis of the Development Standards Ordinance indicates that it may contain requirements that prevent the construction of smaller units on a variety of lot sizes and shapes.

The streamlining of regulatory constraints to housing development has been accomplished in part by the most recent revision of the Zoning Ordinance. The City has received recognition for its streamlining program. In addition, development impact fees have been updated to be consistent with state law and community equity. The City of Novato is currently undertaking a nexus study to reevaluate the fees imposed on housing development as well as the possibility of imposing fees for housing on non-residential development.

### **10.1 Co-Housing, Cooperatives, and Similar Collaborative Housing Development; 10.2 Manufactured Housing; 10.3 Novato Housing Authority; 10.4 Affordable Housing Providers; 10.7 Limited Equity Cooperatives; and 10.8 Housing Demand Guidelines**



There has been no interest by private or non-profit developers to build co-housing or cooperatives, manufactured housing, or limited equity cooperatives. The City of Novato would support these types of development if they were proposed.

A City Housing Authority was not established because a study determined that a separate housing authority was not needed. The existing Redevelopment Agency can coordinate and administer housing programs, including displacement issues. The City's Housing and Services Commission has existed since the mid 1990's to review and advise the City Council on housing-related policy issues. The Marin County Housing Authority (MHA) assists in the administration of affordable housing programs under contract with several Marin County cities. MHA works closely with several cities in the implementation of housing programs, and it qualifies buyers and renters of affordable units. Ecumenical Association for Housing, Northbay Ecumenical Homes and other nonprofit groups also do these things.

In terms of establishing agreements with suitable organizations to administer affordable housing programs, the City works with the Marin County Housing Authority and other non-profit housing providers. In 2000, 531 City residents participated in rental housing programs, 131 residents participated in home ownership programs, and 540 residents were served by supportive housing resources, include housing for the mentally ill and those with AIDS. At the former Hamilton Air Force Base, the City has aided in the development of an 80-bed homeless facilities center.

### **10.5 Accessory Dwelling Unit Construction**

Accessory dwelling units are considered as a form of affordable housing. While their affordability by established income categories (very-low, low, moderate and above moderate) is not automatically considered to be affordable, as with deed-restricted housing, surveys conducted on second units have them to be affordable to very low, low and moderate income households, and especially to smaller households. From 1983 to the present, 124 accessory dwelling units were approved and approximately 82 were actually constructed, which equates to between four and five new second units per year.

The Planning Division has no public reports (calls, letters, email, counter visits) concerning the topic of over-concentration of legally constructed accessory dwelling units within the community. Under the new Zoning Ordinance, to develop an accessory dwelling unit one must obtain a Conditional Use Permit by first demonstrating compliance with specific development standards, including but not limited to: (1) Unit size and height; (2) setbacks; (3) architectural design; and, (4) access and parking. Further, as a part of the City's consideration to grant a Use Permit, the public is provided the opportunity to comment on the physical and operational characteristics of the proposed unit.

The Use Permit review process is intended to ensure that each accessory dwelling unit permitted both fits in with surrounding development/uses and includes adequate facilities (parking, usable yard area etc.) so as not to adversely impact the surrounding neighborhood. Program 10.5 included changes to be made to the zoning ordinance to facilitate the development of second units. Those revisions were made, and the City continues to encourage second units. The largest obstacles to second unit construction are lot size and neighborhood opposition. The City has also identified its current fee structure as a potential obstacle, and is considering reducing fees for second units.

### **10.6 Live/Work Ordinance**



Live/work units provide affordable housing, generate additional economic activity in the community, and improve the jobs/housing balance. Live/work project standards have been incorporated into the updated Novato Zoning Code to allow business owner(s) to occupy a residential unit in the same structure that contains the commercial activity or industry. Live/work projects are allowed in all commercial zoning districts, with exception of those properties designated Neighborhood Commercial in the Novato General Plan Land Use Map and zoned as Neighborhood Commercial (CN). In addition, in order to address employment-driven housing demand, the City has adopted an Urban Growth Boundary and may establish a commercial linkage fee. Downtown and Hamilton Field would be possible locations for this type of use.

### 11.1 Affordable Housing Ordinance

As noted above, the City Council adopted an Affordable Housing Ordinance in February 1999. In June of 2001, the City initiated and adopted a revision to the Affordable Housing Fee Ordinance. The revision applies the in-lieu fee to all housing units. It originally applied to projects involving five (5) or more lots. As specified in City Council Resolution 97-01, periodic increases in the in-lieu housing fee are allowed to reflect inflationary cost adjustments consistent with the Consumer Price Index (CPI).

### 11.2 Performance Criteria for Affordable Housing

Although uniform performance criteria for affordable housing have not been established, the City did ensure that affordable units at the Hamilton Reuse Site would be indistinguishable in design from market rate units.

### 11.3 Housing Funds; 11.4 Seeking Funding; and 11.8 Redevelopment Agency

Consistent with Program 11.3 - Housing Funds, the City has utilized a number of financial assistance techniques and sources of funding to support housing. Monies are generated locally for housing through the Redevelopment Agency Housing set-aside fund (Fund Number 219), Affordable Housing Trust Fund (Fund Number 212), and Housing Opportunity Funds (Fund Number 211). The City has also supported tax credit applications for protects and participates in funding decisions for CDBG and HOME funds. The table below summarizes the funding available for and spent on housing in the Novato Planning Area for the last three fiscal years.

| HO Table A2: Summary of Novato Area Housing Funds (FY 2001-02 through FY 2002-03) |                  |                    |                    |
|-----------------------------------------------------------------------------------|------------------|--------------------|--------------------|
|                                                                                   | 2000-2001        | 2001-2002          | 2002-2003          |
| <b>City Funds Expenditures</b>                                                    |                  |                    |                    |
| Redevelopment Agency Housing (Fund Number 219)                                    | \$265,958        | \$296,232          | \$435,396          |
| _____ Fund Balance - End of Fiscal Year                                           | <u>\$495,508</u> | <u>\$963,543</u>   | <u>\$955,455</u>   |
| Affordable Housing Trust fund (Fund Number 212)                                   | \$0              | \$0                | \$0                |
| _____ Fund Balance - End of Fiscal Year                                           | <u>\$130,045</u> | <u>\$476,032</u>   | <u>\$481,032</u>   |
| Housing Opportunity Funds (Fund Number 211)                                       | \$4,400          | \$173,400          | \$10,000           |
| _____ Fund Balance - End of Fiscal Year                                           | <u>\$309,934</u> | <u>\$192,748</u>   | <u>\$255,258</u>   |
| Total City Funds Spend on Housing                                                 | \$270,358        | \$469,632          | \$445,396          |
| _____ Total Housing Funds Balance - End of Fiscal Year                            | <u>\$935,487</u> | <u>\$1,632,323</u> | <u>\$1,691,735</u> |
| <b>Marin County CDBG (Amount Allocated for Projects)</b>                          |                  |                    |                    |
| Novato Planning Area Funds Budgeted for Housing                                   | \$115,780        | \$98,707           | \$108,612          |
| Portion of Countywide Housing Funds Budgeted for Projects Located in Novato       | \$203,074        | \$20,000           | \$30,000           |
| Subtotal                                                                          | <u>\$318,854</u> | <u>\$118,707</u>   | <u>\$138,612</u>   |



| Marin County HOME Funds (Amount Allocated for Projects)                                                   |                  |                  |                  |
|-----------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| Funds Budgeted for Housing in Novato                                                                      | \$100,000        | \$240,000        | \$117,000        |
| <b>Total Funds Spent on Housing in Novato</b>                                                             | <b>\$589,212</b> | <b>\$588,339</b> | <b>\$584,008</b> |
| Source: City of Novato Community Development Department; Marin County Community Development Agency - CDBG |                  |                  |                  |

The Redevelopment Agency's Low to Moderate Income Housing Fund increases by an average of \$250,000 per year. This fund can be used in a variety of ways to leverage additional financing for affordable housing development. The Low to Moderate Income Housing Fund is separate from other Housing Funds, and must be used in accordance with state and federal laws for affordable housing.

An annual budget and work program is prepared by the Housing and Services Commission and approved by City Council to guide decisions on the use and sources for the housing funds listed in Program 11.3. For past programs, the Housing and Services Commission has recommended Northbay Ecumenical Housing's "Community Assisted/Shared Appreciation" (CASA) Program to the City Council as the preferred program for investment by the Redevelopment Agency with housing set-aside funds.

More recently, the Council/RDA has approved funding priorities for the acquisition and redevelopment of Hamilton Army Airfield lands through the use of 100 percent housing set-aside fund for a total of 775 affordable homes, which are to be affordable in perpetuity.

From an overall standpoint, the updated Housing Element continues the City's effective policies and programs for funding affordable housing by establishing a discrete section with an objective, policies and programs related to funding for affordable housing. The objective in the updated Housing Element is to: "Be aggressive and creative in finding ways to increase ongoing local funding resources and/or financial equivalent incentives for lower income and special needs housing." The primary change is to provide more specific policy in the updated Housing Element to ensure that coordination occurs among projects seeking funding so that the most effective use is made of available funding in Novato. This new policy addresses processes related to funding decisions which are already in place.

Section 8 Rental Assistance Program is a federal rent subsidy program that is one of the main sources of federal housing assistance for lower income households. The program operates by providing "housing assistance payments" to owners, developers, and public housing agencies to make up the difference between the "Fair Market Rent" of a unit which is established by HUD and the household's contribution towards the rent, which is calculated at 30 percent of the household's adjusted gross monthly income. Section 8 includes programs for new construction, existing housing, and housing renovation. Local funds may be used to supplement federally-provided programs and projects.

### 11.5 Density Bonus

The Affordable Housing Ordinance and the subsequent zoning code revision also created a density bonus program, in compliance with State law, that allows the City to grant an increase in density of up to 25 percent, consistent with State Density Bonus law. Additionally, the City's General Plan and Zoning Ordinance provide increased floor area ration (FAR) incentives for Mixed Use, Neighborhood Commercial, and Downtown zoning districts where housing is included.

### 11.6 Housing Preferences



The concept of housing preferences was included in the Hamilton Reuse Plan and Development Agreement for the Capehart/Hillside area. The Hamilton Affordable Workforce Housing Resident Selection Plan includes criteria that set priorities for sale and rental of the deed-restricted affordable units. One-third (33 percent) of the project homes are first made available as follows: First priority is given to the employees of the City of Novato; second priority is given to employees of the Novato Fire Protection District, North Marin Water District, Novato Sanitary District, Novato Community Hospital, and Novato Unified School District; and third priority is given to employees of other public entities with jurisdictions in Marin County working in or providing services to the residents of the City of Novato. The Hamilton Reuse Site Workforce Housing in the Capehart/Hillside area is intended to provide housing for emergency personnel, in accordance with the Hamilton preferences list.

### **11.7 Construction of Smaller Single Family Dwellings**

City codes are reviewed for the construction of smaller single-family dwellings, although a comprehensive study of obstacles and disincentives to construction of smaller dwellings has not been done due to lack of staff time and resources.

### **11.9 Monitor Conversion of Subsidized Units to Market Rate Units and 11.10 Conversion of Publicly Subsidized Housing**

State housing law defines "At Risk" units those dwelling units which may lose their subsidy status. During the 1960's the federal government provided low-interest loans and rent subsidies through various programs administered by HUD and the Farmers Home Administration. In return, private developers/owners agreed to build or operate rental housing at below market rents. Under many of these programs the owners were given the option to terminate their participation prior to loan maturity or rental contract expiration dates. As owners exercise their options, these below market-rate units may be sold or converted to market rate units, thereby reducing the number of affordable housing units. The City conducted a study in 1993 (A Report on Housing Needs and Solutions, Connerly & Associates) to identify the number and characteristics of "At-Risk" households, as opposed to units. This study estimated that 1, 650 households "...may be in danger of facing economic displacement or, in the most extreme cases, becoming homeless." The City continues to monitor conversion of subsidized units, working closely with the Marin Housing Authority.

### **11.11 Work Closely with Agencies Supplying Vital Public Services to Help Them Realize Affordable Housing Located in the City for Emergency after Hours and Standby Personnel**

The City has made great progress in encouraging affordable housing by adopting the Affordable Housing Ordinance and working with a number of non-profit and public agencies in implementing housing programs, as described above.

### **12.1 Additional Housing for Seniors**

In 1997, a Senior Housing Ordinance was developed and reviewed by the Housing and Services Commission, the Planning Commission and the City Council. The City Council directed staff to revise the ordinance to address concerns regarding density, affordability and licensing requirements. In April of 2001, the City of Novato adopted a new Zoning Ordinance. The Senior Housing Ordinance was therefore modified to specifically address "Residential Care Facilities for the Elderly" (RCFE). An RCFE Ordinance is now in place of the Senior Housing Ordinance. Some of the highlights of the RCFE ordinance include, design standards, fire and safety standards, and affordable unit requirements. With regard to affordability, RCFE projects of ten (10) or more units must set aside a minimum of 10 percent of the units for low and very-low income persons.



As stated in the Housing Element, the Marin County Public Guardian's Office must place very frail and very low income seniors in other counties due to the lack of availability of affordable assisted living in Marin County. Thus, the lack of very low income beds in Marin has also resulted in high cost expenditures by Marin County Department of Health and Human Services for out of county placements. The Marin County Department of Health and Human Services has commended Novato as providing a model for all other jurisdictions in the county in implementing an RCFE Ordinance.

During Fiscal Year 2000/2001, the Novato City Council approved several projects with senior housing components. These projects include, Nova-Ro III, Hamilton Senior Affordable Apartments, and senior condos at Rafael Village (now Point Marin). The Nova-Ro III project includes construction of 40 very low and low income senior apartment units and a community building. Point Marin, which is part of the Hamilton Reuse area, includes construction of 100-senior condominiums, of which 67-units are deed restricted for persons with moderate incomes. The Hamilton Senior Affordable Apartments includes construction of 130- senior apartments affordable to persons with low to very-low incomes.

The City permits senior housing developments providing for various levels of care in the continuum of care concept (independent, assisted care, life care, nursing home care) for persons aged 55 and over in specific residential and commercial zoning districts with reduced parking, setback and other requirements. Entitlements for an 80-bed facility, the Terraces, were approved in 1999.

### **13.1 Accessible Units for the Physically Disabled**

This program continues to be implemented successfully.

### **14.1 Incentives for Large Families and 14.2, Single Parent Priority**

These programs will be carried out as part of the Hamilton Reuse Plan at Capehart, which includes 648 two, three and four-bedroom townhomes and apartments.

### **15.1 Sites for Group Homes and 15.2 Considerations in Permitting Group Homes**

A residential facility that serves six or fewer persons shall be considered a residential use of property, and the residents and operators of the facility shall be considered a family. No conditional use permit or other zoning clearance shall be required that is not required of a family dwelling of the same type in the same zone. (Health and Safety Code §1566.3 and 1567.1). The establishment of group homes is a potentially controversial issue. Carrying out pre-submittal meetings with prospective applicants, and working with neighborhood groups and concerned citizens to ensure that adequate measures are instituted to assure that proposed group homes will be compatible with the surrounding neighborhood is essential.

### **16.1 Homelessness Prevention in Novato; and 16.2, Rental Deposit Guarantee and Revolving Loan Fund Programs**

The Novato Human Needs Center's "Housing Assistance Program" provides emergency rental assistance and short-term rent subsidies for the prevention of the homelessness in Novato, as well as the collaboration between this program and the Marin Housing Authority's "Rebate for Renters Program" (for Novato residents only). In FY 2001/2002 the City contributed \$105,000 to the Novato Human Needs Center for their homelessness prevention programs, which also includes an allocation of \$10,000 to the "Rebate for Renters" program.



As part of their homelessness prevention programs, the Novato Human Needs Center (NHNC) provides a “Shared Housing Program” and “Housing Assistance Program” funded by City of Novato Redevelopment Agency housing set-aside funds. For the Fiscal Year 2000/2001 the Novato Redevelopment Agency provided \$100,000, dispersed at \$25,000 quarterly, to Novato Human Needs Center. These funds are used, in conjunction with private donations and grants, to provide rental/deposit assistance and housing advocacy to individuals and families in need in the City of Novato. In the first nine months of Fiscal Year 2000/2001 NHNC provided rental assistance to 204 households, representing 82 percent of the target of 250 households for Fiscal Year 2000/2001.

During the period of July 1, 2000 through March 30, 2001, the Marin Housing Authority served seven (7) Novato households through the “Rebate for Marin Renters Program.” These households have an average annual income of \$11,500, thereby qualifying as very-low income households according to HUD income limits. The participants in this program are established Novato residents who need assistance to remain housed while making the transition to permanent affordable housing. Funding for this program is distributed from the City of Novato Redevelopment Agency to the Novato Human Needs Center, which then allots money to the Marin Housing Authority for implementation of the Rebate for Marin Renters Program.

New Beginnings Center, a permanent homeless shelter with 80 beds and job training/educational services, was completed in April 2000. As noted above, 60 transitional housing units will be provided in the Capehart/Hillside Housing area at Hamilton as an extension of the Continuum of Care.

#### **17.1 Site Designation for Homeless (Hamilton Service Center) and Transitional Housing**

In May 2001, the Novato City Council approved the Capehart/Hillside Housing Master Plan and Precise Development Plan. A total of 60 transitional housing units are to be developed per the approved Master Plan. These transitional units will serve a continuation of care for persons striving to reenter the workforce/community. The transitional units are to be dispersed throughout the Capehart/Hillside housing area to provide better integration into the neighborhood.

#### **18.1 Equal Housing Opportunity and 18.2 Non-discrimination Clauses**

This program has been implemented on an ongoing basis by the City.

*See attached “1990 Novato Housing Element — Evaluation of Existing Programs”*



## 1990 Novato Housing Element – Evaluation of Existing Programs

| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Quantified Objective</b><br><i>where applicable</i>          | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i>                                                               | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i>                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1.1 Housing Rehabilitation Program</b> - Continue to participate in the Housing Rehabilitation Program, which provides low-interest loans for the rehabilitation of homes owned or occupied by very-low to moderate-income households. The City will improve citizen awareness of this rehabilitation loan program by: (a) making pamphlets on this program available at City Hall and at the public library; (b) contacting neighborhood groups in older residential areas with this information; and (c) continuing building code enforcement. The City may use funding sources such as CDBG funds and Redevelopment Tax Increment Set-Aside funds, and City-generated affordable housing funds to implement this program. | 10 Very Low<br>10 Low<br>30 Moderate<br>0 Above Mod<br>50 Total | Implemented through Marin County Housing Authority Housing Rehabilitation Program (Marin Consolidated Plan allocated \$30,000 in FY 2001). 48 very low to low income households assisted through 2000; Christmas in April Program assisted 9 low income households. | The City continues to support this effective program and continued level of funding, and publicity and effective outreach to eligible households would make it even more effective. | Continue program and identify publicity efforts and outreach (see Housing Element programs) to potentially eligible households in coordination with the Marin County Housing Authority. |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                               | <b>Quantified Objective</b><br><i>where applicable</i> | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i>                                                                                                                               | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i> |
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| <b>1.2 Capital Improvement Program</b><br>- Carry out annual Planning Commission and City Council review of the City's Capital Improvement Program (CIP) to determine what special priorities are needed for capital improvement projects required to maintain the community's residential neighborhoods. |                                                        | The City continues to carry out Capital Improvement Program review based on neighborhood comments and concerns.                                                                                     | Continued level of funding of the CIP                                                                                                                                                                                                               | Continue current City process                                                                                                            |
| <b>1.3 Neighborhood Land Use Compatibility-</b> Identify potential problems from permitted land uses - overconcentration, design, operation, (lack of) maintenance, etc., and establish protections.                                                                                                      |                                                        | Potential incompatibilities between existing neighborhood land uses and potential, permitted uses are evaluated when in-fill projects are proposed.                                                 | The City has been effective in addressing residents' concerns of maintaining neighborhood character through the establishment of updated standards and design guidelines, which are implemented through the City's effective design review process. | Continue current City process                                                                                                            |
| <b>2.1 Regulate Displacement -</b><br>Amend the Zoning Ordinance to regulate the removal or displacement of residential units.                                                                                                                                                                            |                                                        | The recent comprehensive Zoning Ordinance update included regulations controlling displacement of residential units. Redevelopment area requirement is to replace residential units on a 1:1 ratio. | The City has been effective in regulating displacement.                                                                                                                                                                                             | Continue policy and implement regulations contained in the Zoning Code                                                                   |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                                                                                                                                                                   | <b>Quantified Objective</b><br><i>where applicable</i> | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                     | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i> | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i>                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>2.2 Residential Zoning</b> - Retain existing residential zoning and discourage non-residential uses (other than those typically deemed compatible, such as churches and parks) in these zones, consider expanding areas designated for residential use, and consider zoning amendments to limit the size of housing units.                                                                                                                                 |                                                        | Comprehensive Zoning Ordinance update was adopted. The City discourages the conversion of housing to non-residential uses.                               | Evaluate land uses in the Northwest Quad neighborhood                                                                 | Continue policy and include a program to evaluate land uses in the Northwest Quad neighborhood                                                                                                                                |
| <b>3.1 Shared Housing Programs</b> - Continue to participate in the Shared Housing Project.                                                                                                                                                                                                                                                                                                                                                                   |                                                        | Novato Human Needs Center (NHNC) provides a "Shared Housing Program" funded by Redevelopment Agency housing set-aside funds.                             | Continued level of funding                                                                                            | Continue program intent                                                                                                                                                                                                       |
| <b>4.1 Condominium Conversions</b> - Consider revising the Condominium Conversion Ordinance to exempt limited equity residential cooperatives which provide long term affordability for the units by requiring relocation assistance when units are converted; first right of refusal of purchase of units by occupants; a minimum of 20 percent of the units be affordable to very-low to moderate income households; and implementation of resale controls. |                                                        | To date, no conversions have been proposed. The Condominium Conversion Ordinance has yet to be amended to exempt limited equity residential cooperatives | Staffing resources have not provided necessary person-hours to implement this program.                                | There is a need to develop regulations for limited equity cooperatives if they can provide affordable housing opportunities. A specific schedule for program implementation has been included in the updated Housing Element. |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                      | <b>Quantified Objective</b><br><i>where applicable</i> | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                    | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i> | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i> |
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| <b>5.1 Mobile Home Rent Stabilization</b> - Revise as necessary the ordinance establishing a system of mobile home rent control. |                                                        | This program has been implemented by the City, through the Novato Public Finance Authority (NPFA), which purchased Marin Valley Mobile Home Country Club to ensure long-term rent stabilization for low and very low income seniors.                                                                    | Funding availability                                                                                                  | Continue program intent                                                                                                                  |
| <b>5.2 Mobile Home Park Ownership Opportunities</b> - Investigate ways to facilitate mobile home park ownership opportunities.   |                                                        | Pursuant to the acquisition documents of the Marin Valley Mobile Home County Club, the NPFA provided funding to keep a minimum of 80 units affordable in the very-low (20 units), low (20 units), and moderate (40 units) income categories. Currently, there are about 190 owners in these categories. | Funding availability                                                                                                  | Continue program intent                                                                                                                  |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                | <b>Quantified Objective</b><br><i>where applicable</i> | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i>                                                                                                                                                     | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i>                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>6.1 Mobile Home Conversion Ordinance</b> - Consider adopting a Mobile Home Conversion Ordinance with guarantees to ensure that lower-income mobile home residents are provided with affordable housing. Investigate methods of tenant acquisition of mobile home parks. |                                                        | The Planning Commission or City Council has required, as a condition of a change, that developers take steps to mitigate any adverse impact of the conversion, closure, or cessation of use, on displaced mobile home park residents being able to relocate and by finding adequate housing in another mobile home park. The Redwood Mobile Home Park was approved for closure in 2001 but all 42 tenants were provided relocation assistance under an agreement with the owner. | The City considered adopting a conversion ordinance, but found standard conditions of approval provide an effective means to reach the intent of the policy. A separate ordinance is no longer be needed since the alternative approach achieves the original objectives. | A separate ordinance may no longer be needed as the City of Novato is seeking other means of ensuring long-term affordability. Continue to apply City policy through applying standard conditions of approval related to mobile home conversion. |
| <b>7.1 Hamilton Reuse</b> - Implement the Hamilton Reuse Plan.                                                                                                                                                                                                             |                                                        | In 1995, the Hamilton Reuse Plan was approved by the Hamilton Reuse Authority and the City Council. The City formed the Hamilton Redevelopment Area and the Reuse Plan was adopted as both the Redevelopment Plan and the Master Plan for the area. Approval of the Master Plan, Precise Development Plan, and Tentative Map for these sites paves the way for development of a total of 1,152 new residential units.                                                            | Implementation of the Reuse Plan for Hamilton has been a significant commitment of City staff and funding resources. A continuation of these policies and implementation of programs will assure success of this development area.                                        | Continue to implement the Reuse Plan for Hamilton                                                                                                                                                                                                |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Quantified Objective</b><br><i>where applicable</i>                    | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i>                                                                            | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i>                                                                                                                                                                                                                          |
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| <b>8.1 Areas Available for Housing -</b><br>Provide sites for a range of housing types for all income groups by implementing the Land Use Designations Map and Land Use Designations in LU Table 3. (See also LU Objective 1 and subsequent policies and programs.)                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                           | In April 2001, the City of Novato completed a comprehensive update of the Novato Zoning Ordinance and Zoning Map. Amendments were made to conform with the General Plan land use designations of Mixed Use, Downtown and Neighborhood Commercial were also made.                                                                                                                                                                                                      | FAR and other incentives are in place to promote in-fill housing. The program success is dependent on property owner decisions to develop or redevelop property                                  | Continue to encourage property owners to implement regulations and evaluate housing opportunities in the Northwest Quad                                                                                                                                                                                                                                           |
| <b>8.2 Mixed Use Development -</b><br>Amend the Zoning Ordinance to establish a Mixed Use Zoning District to encourage multi-family housing integrated with commercial, retail and office uses consistent with the Mixed Use General Plan land use designation. Among the items to be considered are Zoning Ordinance standards with regard to: adjustment of parking standards where several land uses share a common parking facility; flexible parking, setback, height, and lot coverage standards; permitting a maximum residential density compatible with developed densities of the contiguous neighborhood. Establish design guidelines for compatibility with the surrounding developed areas. | 26 Very Low<br>30 Low<br>77 Moderate<br>555 Above Mod<br>688 <i>Total</i> | City's Zoning Ordinance update, incentives were included to encourage residential units within commercial zones, including the Downtown and Neighborhood Commercial districts, and other mixed-use strategies. City staff is working with landowners in the downtown Novato area to identify and define mixed use opportunities in the downtown, and potential General Plan amendments are proposed to provide for mixed use on two commercial sites in the Downtown. | There is growing understanding and property owner/developer interest in developing or redeveloping properties using the new FAR and other incentives that are in place to promote mixed housing. | The FAR incentive when housing in provided in a mixed use project is significant and should be promoted by the City. The City has additional incentives for various land use districts to encourage more mixed-use housing development in Downtown and other appropriate locations, consistent with the General Plan (parking, regulations, and areas designated) |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                       | <b>Quantified Objective</b><br><i>where applicable</i>          | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                    | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i>                                                                                                                                            | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i>                                                              |
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| <b>8.3 Land for Multiple-Family Housing</b> - Amend the Zoning Ordinance and Map to conform with the General Plan land use designations of Mixed Use, Downtown and Neighborhood Commercial, as indicated in the Land Use Diagram and HO Table 17;                                                                 | 10 Very Low<br>15 Low<br>60 Moderate<br>0 Above Mod<br>85 Total | The City has facilitated the development of multifamily units through the recent revision of its Zoning Ordinance, which included amendments to encourage mixed use. (See discussion under "Available Land and Ability to Meet the ABAG Needs" in the Housing Element text.                             | Zoning amendments and incentives provide the regulatory guidance for multi-family housing, but the City understands the importance of property owner decisions to develop or redevelop property are individual and consider other factors                        | The City will evaluate opportunities to facilitate small-scale multifamily housing opportunities (duplexes, triplexes, fourplexes, etc.).                                                             |
| <b>9.1 City Regulations</b> - Remove undue or streamline regulatory constraints to housing development. Examine the Zoning, Subdivision, and Development Standards Ordinances to identify any regulations which unduly constrain the construction of housing. Continue to improve and streamline City procedures. |                                                                 | The streamlining of regulatory constraints to housing development has been accomplished in part by the most recent revision of the Zoning Ordinance. The City has received recognition for its streamlining program.                                                                                    | The City continually monitor its ordinances and development standards to assure they achieve their intended result. This is an ongoing process.                                                                                                                  | Continue program intent and monitor effectiveness over time. Specific changes to parking standards and other regulations are recommended in the Housing Element.                                      |
| <b>9.2 Development Fees</b> - Review the City's fee structure to ensure equity and conformance to state law.                                                                                                                                                                                                      |                                                                 | Development impact fees have been updated to be consistent with State law and community equity. The City of Novato is currently undertaking a nexus study to reevaluate the fees imposed on housing development as well as the possibility of imposing fees for housing on non-residential development. | Line item fees related to processing, inspections and installation services are limited by California law to the cost to the agencies of performing these services. A nexus must also be established between impact fees and the related impacts of development. | Continue program and monitor over time. Add programs to revise the City's Inclusionary Ordinance, applicable in-lieu fees and jobs/housing linkage fee or equivalent for non-residential development. |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                       | <b>Quantified Objective</b><br><i>where applicable</i> | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                         | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i> | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i> |
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| <b>10.1 Co-Housing, Cooperatives, and Similar Collaborative Housing Development -</b><br>Encourage housing developments that are based on CoHousing and similar approaches that feature housing units clustered around a common area and shared kitchen, dining, laundry and day care facilities. |                                                        | There has been no interest by private or non-profit developers to build co-housing or cooperatives, manufactured housing, or limited equity cooperatives. The City of Novato would support these types of development if they were proposed. | Developer interest has been the primary obstacle to implementation of this program.                                   | Continue policy, conduct outreach and work with potential developers, and seek assistance through the County HAT.                        |
| <b>10.2 Manufactured Housing -</b><br>Continue to allow placement of manufactured housing units on permanent foundations in accordance with State Requirements.                                                                                                                                   |                                                        | See response to 10.1 above.                                                                                                                                                                                                                  | Developer interest has been the primary obstacle to implementation of this program.                                   | Continue policy, conduct outreach and work with potential developers.                                                                    |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                    | <b>Quantified Objective</b><br><i>where applicable</i> | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                   | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i>                                                                                                                                                                                                                                                                                  | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i>                                                                                                                                                                                                                                                                           |
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| <b>10.3 Novato Housing Authority -</b><br>Consider establishing a City Housing Authority.                                                                      |                                                        | A City Housing Authority was not established because a study determined that a separate housing authority was not needed.                                                                                              | The existing Redevelopment Agency can coordinate and administer housing programs, including displacement issues. In addition, the City's Housing and Services Commission has existed since the mid-1990's to review and advise the City Council on housing-related policy issues. The Marin County Housing Authority (MHA) also assists the City in the administration of affordable housing programs. | The City has been effective in implementing housing programs and no change is recommended. The City adopted a new Zoning Ordinance in April, 2001, which implements a number of the programs identified in the current Housing Element, including standards for second units, mixed use, development standards, live work, and affordable housing requirements for all development (Affordable Housing Ordinance). |
| <b>10.4 Affordable Housing Providers -</b> Consider establishing agreements with suitable organizations to administer affordable housing programs in the City. |                                                        | The City continues to work with the NHNC, Marin County Housing Authority and other non-profit housing providers and has established agreements with suitable organizations to administer affordable housing programs,. | Many housing issues facing Novato are countywide in their scope and nature. Continued coordination with these other agencies in implementing, whenever possible, agreed-upon "best practices", shared responsibilities and common regulations to efficiently and effectively respond to housing needs within a countywide framework.                                                                   | Continue policy intent and provide policy support for a countywide HAT                                                                                                                                                                                                                                                                                                                                             |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                                                                                                                                                                        | <b>Quantified Objective</b><br><i>where applicable</i>                | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                                                       | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i>                                                                                                                                             | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i>                   |
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| <b>10.5 Accessory Dwelling Unit Construction</b> - Continue to allow the Accessory Dwelling Unit Ordinance to increase the number of these units constructed where feasible. Review and amend the ordinance to incorporate provisions relating to occupancy, parking requirements, etc. Prepare and distribute a brochure for the public on accessory units which describes requirements and discusses other issues of concern such as outdoor lighting and noise. | 0 Very Low<br>0 Low<br>40 Moderate<br>10 Above Mod<br><i>50 Total</i> | From 1983 to the present, 124 accessory dwelling units were approved and approximately 82 were actually constructed, which equates to between four and five new second units per year, and thus meeting the program target. Based on surveys in Marin County, second units are generally affordable to low and moderate income households. | Property owner interest. Although successful, the city believes the performance of this program can be approved through additional outreach. Accessory unit requirements will be adjusted to be consistent with AB 1866, which should encourage additional units. | Modify Accessory Dwelling Unit regulations to be consistent with new State law requirements as of June 2003 (AB 1866). Provide for outreach to homeowners. |
| <b>10.6 Live/Work Ordinance</b> - Prepare and adopt a Live/Work Ordinance that identifies locations in Novato suitable for live/work units. Include performance standards relating to noise, odor and type of uses permitted, and standards for parking, fencing and related performance standards.                                                                                                                                                                | 0 Very Low<br>0 Low<br>5 Moderate<br>35 Above Mod<br><i>40 Total</i>  | Live/work project standards have been incorporated into the updated Novato Zoning Code to allow business owners to occupy a residential unit in the same structure that contains the commercial activity or industry. Downtown and Hamilton Field would be possible locations for this type of use.                                        | Business owner and property owner interest                                                                                                                                                                                                                        | Continue implementing new regulations, conduct outreach and work with potential developers.                                                                |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>Quantified Objective</b><br><i>where applicable</i> | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                             | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i> | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i> |
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| <b>10.7 Limited Equity Cooperatives</b><br>- Seek sponsors to utilize State funds to develop a limited equity cooperative (LEC). Specific City actions to achieve this objective include: assessing the viability and process of establishing an LEC; making such information available at the Community Development Department; seeking cooperation and support for this program with the Marin Housing Authority and non-profit housing organizations in the area such as the Ecumenical Association for Housing; and locating potential sites for a LEC. |                                                        | See response to 10.1 above.                                                                                                                                                                                                      | Developer interest                                                                                                    | Continue policy, conduct outreach and work with potential developers                                                                     |
| <b>10.8 Housing Demand Guidelines</b><br>- Prepare guidelines to explain City concerns and possible response to issues arising from employment-driven housing demand.                                                                                                                                                                                                                                                                                                                                                                                       |                                                        | Some handouts explaining City programs are available at City Hall. Ongoing community education on housing needs has been done as part of Hamilton Reuse. Other material has not been prepared due to limited staffing resources. | Staffing resources                                                                                                    | Continue program and identify publicity efforts and outreach activities, and seek assistance through the County HAT.                     |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>Quantified Objective</b><br><i>where applicable</i>                         | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i>                                                                                            | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i>                     |
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| <p><b>11.1 Affordable Housing Ordinance</b> - Prepare and adopt an Affordable Housing Ordinance requiring developers to participate in meeting the City's need for below-market rate (BMR) housing. The objective of the ordinance will be production of between 5 and 15 percent BMR units in each new residential development project. The number of BMR units to be produced will be negotiated based on the following factors: (1) level of affordability (e.g., 5 percent of units might be required if they are available to very-low income households, or 15 percent if affordable to moderate income households), (2) size of project, (3) type and cost of market-rate units in the project, (3) value of incentives provided to the developer. Incentives can include but are not limited to: density bonuses meeting or exceeding the requirements of State law and density transfers among properties in single ownership. A option of contributing fees in lieu of producing affordable units will be offered to developers. An ordinance implementing this policy, titled an Affordable Housing Ordinance, would set out income guidelines, household unit size</p> | <p>126 Very Low<br/>211 Low<br/>509 Moderate<br/>0 Above Mod<br/>846 Total</p> | <p>The City Council adopted on Affordable Housing Ordinance in February 1999. In June of 2001, the City initiated and adopted a revision to the Affordable Housing Fee Ordinance. The revision applies the in-lieu fee to all housing units. It originally applied to projects involving five (5) or more lots. As specified in City Council Resolution 97-01, periodic increases in the in-lieu housing fee are allowed to reflect inflationary cost adjustments consistent with the Consumer Price Index (CPI).</p> | <p>The City has adopted a comprehensive Affordable Housing Ordinance. The effectiveness of regulations and incentives is not a certainty and must be monitored over time, with adjustments made accordingly.</p> | <p>Monitor ordinance effectiveness over time. Programs are included in the Housing Element to modify specific parts of the Affordable Housing Ordinance.</p> |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>Quantified Objective</b><br><i>where applicable</i> | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                              | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i>                                                                                                     | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i>                                                                            |
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| guidelines, and purchase price and/or rent levels as appropriate, as well as equitable means for developers to provide rental and ownership units. The units designated as affordable to very-low- to moderate-income households would be deed-restricted or controlled to ensure continued affordability of these units for a minimum period of thirty (30) years. The Ordinance would specify the proportion of affordable units required for each of the HUD income categories, and include criteria for design and dispersion. |                                                        |                                                                                                                                                                                   |                                                                                                                                                                                                                           |                                                                                                                                                                                                                     |
| <b>11.2 Performance Criteria for Affordable Housing</b> - Establish performance criteria for affordable units to address issues such as: the exterior appearance of affordable units, dispersal of affordable units, size, and amenities.                                                                                                                                                                                                                                                                                          |                                                        | No performance criteria for affordable housing has been established, although the City has helped facilitate the construction of a significant number of affordable housing units | Although uniform performance criteria for affordable housing have not been established, the City did ensure that affordable units at the Hamilton Reuse Site would be indistinguishable in design from market rate units. | Continue to apply design review and design criteria as identified in the Zoning Code. Consider establishing specific design principles for the "architectural look" and fit of housing in context to the community. |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>Quantified Objective</b><br><i>where applicable</i> | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                                                        | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i> | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i> |
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| <p><b>11.3 Housing Funds</b> - The City will establish a five-year housing program and through the Housing and Services Commission consider the uses and sources for the housing funds listed below: Uses for Housing Funds include but are not limited to the following:</p> <ul style="list-style-type: none"> <li>■ Land acquisition for affordable housing;</li> <li>■ Capital improvements for affordable housing;</li> <li>■ Rehabilitation loans;</li> <li>■ Contribution to funds established for emergency and transitional housing;</li> <li>■ Replacement of waived or reduced City fees for affordable projects;</li> <li>■ Retaining the services of a part-time grant writer/housing coordinator;</li> <li>■ Buy-downs on mortgages for purchasers of affordable units;</li> <li>■ Subsidizing programs that provide housing units to compensate for affordable units lost through expiration of Section 8 agreements;</li> <li>■ Subsidizing mortgage financing for affordable units;</li> <li>■ Participation in the Marin County Housing Authority-sponsored programs;</li> </ul> |                                                        | <p>An annual budget and work program is prepared by Housing and Services Commission and approved by City Council to guide decisions on the use and sources for the housing funds listed in Program 11.3. Approximately \$300,000 have been collected in "in-lieu" fees in addition to Redevelopment funds described under Program 11.8.</p> | <p>Program funding should target remaining very low income housing need.</p>                                          | <p>Continue program. City housing fund priorities should target very low income housing.</p>                                             |



| <b>Program Title</b><br><b>Ref. # and brief description</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>Quantified Objective</b><br><b>where applicable</b> | <b>Achievements</b><br><b>quantified if possible</b>                                            | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i>                                                                                                                                   | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i> |
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| <ul style="list-style-type: none"> <li>■ Public/private and non-profit partnerships;</li> <li>■ Other related implementation actions identified in this chapter.</li> </ul> <p>Funding Sources:</p> <ul style="list-style-type: none"> <li>■ Redevelopment Housing Set-Aside funds;</li> <li>■ Federally-sponsored Community Development Block Grant (CDBG) Funds;</li> <li>■ State housing program funds;</li> <li>■ Funds from affordable housing in-lieu fees paid to the City; and</li> <li>■ Other grants and miscellaneous sources.</li> </ul> |                                                        |                                                                                                 |                                                                                                                                                                                                                                                         |                                                                                                                                          |
| <b>11.4 Seeking Funding</b> - Seek funding to develop affordable housing and encourage additional affordable housing units.                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                        | When appropriate the City has pursued grants, such as for the transitional housing at Hamilton. | Grant and/or loan applications, and other means of securing funding are dependent upon staffing resources and developer interest. The City will consider use of greater Novato Housing and Services as a means to assist in securing funding resources. | Modify current program to consider greater Novato Housing and Services Commission role in implementing this program.                     |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                            | <b>Quantified Objective</b><br><i>where applicable</i>                | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i>                                                                                                                                                       | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i> |
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| <b>11.5 Density Bonus</b> - Amend the Zoning Ordinance to comply with the provisions of Government Code § 65915. This state requirement allows residential projects that provide defined low and moderate income housing a density increase of 25 percent over that otherwise allowed. | 10 Very Low<br>20 Low<br>0 Moderate<br>0 Above Mod<br><i>30 Total</i> | The City adopted an Affordable Housing Ordinance in the City amended the Zoning Ordinance. The Affordable Housing Ordinance and the subsequent zoning code revision also created a density bonus program, in compliance with State law, that allows the City to grant an increase in density of up to 25%, consistent with State Density Bonus law. Additionally, the City's General Plan and Zoning Ordinance provide increased floor area ratio (FAR) incentives for Mixed Use, Neighborhood Commercial, and Downtown zoning districts where housing is included. | The City accomplished this goal and the focus will be on monitoring effectiveness and increasing developer interest.                                                                                                                                                        | Monitor effectiveness of the Affordable Housing Ordinance over time                                                                      |
| <b>11.6 Housing Preferences</b> - Consider preparing an ordinance that establishes preferences for Novato residents, public employees, single-parent heads of households, and for those employed in Novato in renting or purchasing affordable housing units.                          |                                                                       | An ordinance was not adopted but the concept of housing preferences was implemented by City policy implementation in the Hamilton Reuse Plan and Development Agreement for the Capehart/Hillside area.                                                                                                                                                                                                                                                                                                                                                              | Although the City has not established a housing preferences ordinance, the concept of housing preferences was included in the Hamilton Reuse Plan and Development Agreement for the Capehart/Hillside area. Preferences criteria must be consistent with Fair Housing Laws. | Continue program intent and include an evaluation of preferences policy with Fair Housing Laws.                                          |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                      | <b>Quantified Objective</b><br><i>where applicable</i>                  | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i>                                                                                                                                | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i>        |
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| <b>11.7 Construction of Smaller Single Family Dwellings</b> - Review City codes and standards to identify any obstacles or disincentives to construction of smaller single-family dwellings.                     | 0 Very Low<br>0 Low<br>5 Moderate<br>15 Above Mod<br>20 <i>Total</i>    | City codes have been reviewed for the construction of smaller single-family dwellings.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | A comprehensive study of obstacles and disincentives to construction of smaller dwellings has not been done due to lack of staff time and resources.                                                                                                 | Identify other ways in which smaller units can be encouraged through the development review process, and seek assistance through the County HAT |
| <b>11.8 Redevelopment Agency</b> - Continue use of Redevelopment Agency powers to encourage the development of affordable housing by providing technical and financial assistance to reduce the cost of housing. | 25 Very Low<br>35 Low<br>40 Moderate<br>0 Above Mod<br>100 <i>Total</i> | 100% of the Redevelopment Agencies housing set-aside has funded 775 affordable homes in perpetuity in the Hamilton Reuse area. The City projects revenues of approximately \$450,000 in each year of the current planning period. Future expenditures are planned for the Downtown Redevelopment Area. Projects that specifically address the needs of very low income households will be given priority. In addition, the City expects to continue annual funding of approximately \$150,000 for emergency rental assistance and short-term rent subsidies administered by the NHNC. | The Agency operates effectively in achieving its goals. Continued level of funding and continued outreach to the community will continue to see significant accomplishments both at Hamilton and in the Downtown, especially for affordable housing. | Continue program intent                                                                                                                         |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                 | <b>Quantified Objective</b><br><i>where applicable</i> | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                         | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i> | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i> |
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| <b>11.9 Monitor Conversion of Subsidized Units to Market Rate Units</b> - Coordinate with Marin Housing Authority and monitor subsidized units that are scheduled to be converted to market rate units, and develop programs preventing the loss of these affordable units. |                                                        | The City continues to monitor conversion of subsidized units, working closely with the Marin Housing Authority.                                                              | Continued effective monitoring of conversions.                                                                        | Continue program intent                                                                                                                  |
| <b>11.10 Conversion of Publicly Subsidized Housing</b> - Prepare an ordinance requiring a one-year notice to residents, the City and the Marin Housing Authority of all proposed conversions of affordable housing units to market rents.                                   |                                                        | No units were converted and none are at risk of conversion to market rate development.                                                                                       | Continued effective monitoring of units at risk of conversion to market rate development.                             | Continue program intent                                                                                                                  |
| <b>11.11 Coordinate with Emergency Services Agencies</b> - Work closely with agencies supplying vital public services to help them realize affordable housing located in the City for emergency after hours and standby personnel.                                          |                                                        | The City has encouraged affordable housing by adopting the Affordable Housing Ordinance and working with a number of non-profit and public agencies in implementing programs | Effective outreach and coordination with other agencies                                                               | Continue program intent and expand outreach activities                                                                                   |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                                                                                               | <b>Quantified Objective</b><br><i>where applicable</i>             | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i> | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i> |
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| <b>12.1 Additional Housing for Seniors</b> - Amend the Zoning Ordinance to permit senior housing developments providing for various levels of care in the continuum of care concept (independent, assisted care, life care, nursing home care) for persons aged 55 and over in specific residential and commercial zoning districts with reduced parking, setback and other requirements. | 50 Very Low<br>50 Low<br>50 Moderate<br>100 Above Mod<br>250 Total | The Zoning Ordinance has been updated to provide incentives for affordable, senior housing. During Fiscal Year 2000/2001, the Novato City Council approved several projects with senior housing components. These projects include, Nova-Ro III, Hamilton Senior Affordable Apartments, and senior condos at Rafael Village (now Point Marin). The Nova-Ro III project includes construction of 40 very low and low income senior apartment units and a community building. Point Marin, which is part of the Hamilton Reuse area, includes construction of 100- senior condominiums, of which 67-units are deed restricted for persons with moderate incomes. The Hamilton Senior Affordable Apartments includes construction of 130- senior apartments affordable to persons with low to very-low incomes. | The Zoning Ordinance amendment was accomplished.                                                                      | Continue the intent of this program and monitor senior housing production, especially for affordable housing.                            |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                        | <b>Quantified Objective</b><br><i>where applicable</i>          | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i> | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i>                                                                             |
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| <b>13.1 Accessible Units for the Physically Disabled</b> - Amend the Zoning Ordinance to ensure that new multi-family residential developments comprising 5 or more units are accessible or adaptable for disabled persons consistent with federal and state laws. | 10 Very Low<br>15 Low<br>30 Moderate<br>0 Above Mod<br>55 Total | Novato allows a reduction in required on-site parking if it is to accommodate ADA accessibility facilities (ramps, etc.) and offers reduced parking standards for senior housing developments. Reduced parking for any development, including housing for the disabled, is allowed wherever reduced need can be demonstrated. Some of the highlights of the RCFE ordinance include, design standards, fire and safety standards, and affordable unit requirements. With regard to affordability, RCFE projects of ten or more units must set aside a minimum of 10% of the units for low and very-low income persons. The Terraces Senior Assisted Living provides 8 low income and 72 above moderate income units. | The Zoning Ordinance was updated and SB 510 requirements will be implemented by the City.                             | Continue program intent and implement SB510 requirements                                                                                                                                                             |
| <b>14.1 Incentives for Large Families</b> - Include incentives for the construction of affordable for sale and/or rental housing units with three or more bedrooms for large families with very-low- to moderate-incomes.                                          | 5 Very Low<br>15 Low<br>5 Moderate<br>0 Above Mod<br>25 Total   | These programs will be carried out as part of the Hamilton Reuse Plan at Capehart, which includes 648 two, three and four-bedroom townhomes and apartments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Land and construction costs to provide very low income units.                                                         | Continue program intent and modify the Affordable Housing Ordinance to allow for a sliding scale for inclusionary requirements with the option of providing fewer units but at very low income affordability levels. |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>Quantified Objective</b><br><i>where applicable</i> | <b>Achievements</b><br><i>quantified if possible</i>                                                        | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i> | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i>                                                                             |
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| <b>14.2 Single Parent Priority -</b><br>Provide priority for single parents in projects where the City or its assignees controls occupancy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                        | This program has not been implemented, although a significant number of affordable units are being created. | Land and construction costs to provide very low income units.                                                         | Continue program intent and modify the Affordable Housing Ordinance to allow for a sliding scale for inclusionary requirements with the option of providing fewer units but at very low income affordability levels. |
| <b>15.1 Sites for Group Homes -</b><br>Continue to comply with state and federal law by allowing group homes with special living requirements consistent with the City's land use regulations. The City will discourage an overconcentration of group homes in any one neighborhood. A residential facility that serves six or fewer persons shall be considered a residential use of property, and the residents and operators of the facility shall be considered a family. No conditional use permit or other zoning clearance shall be required that is not required of a family dwelling of the same type in the same zone. (Health and Safety Code Section 1566.3 and 1567.1). |                                                        | The City does not restrict the siting of group homes nor require a minimum distance between group homes.    | This program has been effective.                                                                                      | Continue program intent                                                                                                                                                                                              |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Quantified Objective</b><br><i>where applicable</i>          | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i> | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>15.2 Considerations in Permitting Group Homes</b> - When use permits may be required for group homes, consider provisions addressing the following aspects of location and operations: proximity to other special housing, level of staffing and supervision relative to the needs of the residents, parking demand, noise generation and other concerns.                                                                                                     |                                                                 | Group homes with 6 or fewer occupants are permitted by right in single family homes, and the City does not have any occupancy standards in the zoning code that apply specifically to unrelated adults. Group homes with over 6 persons are allowed in all residential districts with a Use Permit. The approval process for a Use Permit for a group home is the same as for any other residential development and requires public notice and approval by the zoning administrator or a public hearing and approval by the Planning Commission. | This program has been effective.                                                                                      | Continue program intent                                                                                                                  |
| <b>16.1 Homelessness Prevention in Novato</b> - Monitor the potential conversion of at-risk units and consider, as appropriate: refinancing projects financed with locally-issued mortgage revenue bond proceeds; financing buyouts by non-profits and other public entities through equity or gap financing; advancing purchase-option funds; carrying of second mortgages; interest writedowns; and/or issuing of tax exempt bonds for financing acquisitions. | 60 Very Low<br>65 Low<br>0 Moderate<br>0 Above Mod<br>125 Total | The City of Novato utilizes the NHNC's "Housing Assistance Program" addresses homelessness by providing rental/deposit assistance. In the first nine months of fiscal year 1999/2000, NHNC provided rental assistance to 203 very low and low income households, of which 50 were funded by Redevelopment Agency funds. The remaining 153 households were assisted by private donor funds.                                                                                                                                                       | Continued level of funding                                                                                            | Continue program intent                                                                                                                  |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                | <b>Quantified Objective</b><br><i>where applicable</i>        | <b>Achievements</b><br><i>quantified if possible</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i> | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>16.2 Rental Deposit Guarantee and Revolving Loan Fund Programs</b> - Consider continued participation in Marin Housing Authority's Rental Deposit Guarantee Program to assist Novato residents by preventing and reducing homelessness. |                                                               | The City of Novato continues to utilize the Novato Human Needs Center (NHNC) provides rental/deposit assistance funded by City of Novato Redevelopment Agency housing set-aside funds. For the Fiscal Year 2000/2001 the Novato Redevelopment Agency provided \$100,000, dispersed at \$25,000 quarterly, to the Novato Human Needs Center. During the period of July 1, 2000 through March 30, 2001, the Marin Housing Authority served seven (7) Novato households through the "Rebate for Marin Renters Program." The City contributed \$10,000 to the "Rebate for Renters" program. | Continued level of funding                                                                                            | Continue program intent                                                                                                                  |
| <b>17.1 Site Designation for Homeless (Hamilton Service Center) and Transitional Housing</b> - Implement the Hamilton Reuse Plan providing for homeless (Hamilton Service Center) and transitional housing facilities at Hamilton Field.   | 30 Very Low<br>0 Low<br>0 Moderate<br>0 Above Mod<br>30 Total | The New Beginnings Center, a permanent homeless shelter with 80 beds and job training/educational services, was completed in April 2000. The Novato City Council approved the Capehart/Hillside Housing Master Plan and Precise Development Plan. A total of 60 transitional housing units for very low income persons are to be developed at Meadow Park.                                                                                                                                                                                                                              | Successful implementation of new facilities.                                                                          | Continue program intent                                                                                                                  |



| <b>Program Title</b><br><i>Ref. # and brief description</i>                                                                                                                                                                                                                                                                                                                                                                                                         | <b>Quantified Objective</b><br><i>where applicable</i> | <b>Achievements</b><br><i>quantified if possible</i> | <b>Barriers to Implementation</b><br><i>reasons why it was not implemented or was not able to meet its objectives</i> | <b>Recommendations for the Housing Element Update</b><br><i>carry forward as is/carry forward with modifications (specify)/or delete</i> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>18.1 Equal Housing Opportunity -</b><br>Facilitate fair and equal housing opportunity by designating the Community Development Director as the City's Equal Opportunity Coordinator with responsibility to investigate and deal appropriately with complaints. Information regarding equal housing opportunity laws shall be made available to the public. A pamphlet on equal housing opportunity shall be prepared and distributed to the public at City Hall. |                                                        | Implemented on an ongoing basis by the City.         | None                                                                                                                  | Continue program intent and assure consistency with Fair Housing Laws.                                                                   |
| <b>18.2 Non-Discrimination Clauses</b><br>- Continue to provide non-discrimination clauses in rental agreements and deed restrictions for housing constructed with either City participation or with Development Disposition Agreements and Owner Participant Agreements when Redevelopment Agency participation occurs.                                                                                                                                            |                                                        | Implemented on an ongoing basis by the City.         | None                                                                                                                  | Continue program intent and assure consistency with Fair Housing Laws.                                                                   |



## Appendix B

# Potential Residential Development Sites

### Overview

The attached table lists potential housing sites in Novato. In calculating the additional units feasible in the attached table, a preliminary assessment of each property's environmental conditions (slopes, vegetation, drainage etc), infrastructure and public services was conducted. Thus, under "ADDITIONAL UNITS" virtually all of the sites reflect some level of unit reduction below the maximum density permitted. An important function of this assessment is to demonstrate a reasonable unit yield in context with Novato's ability to meet and actually exceed its fair share allocation of new housing stock, by income category, for the planning period. Below is the legend for the table.

#### Land Use Designations:

- a. Rural Residential (RR), up to 0.49 du/ac
- b. Very Low Density Residential (RVL), 0.5 to 1.0 du/ac
- c. Low Density Residential (R1), 1.1 to 5.0 du/ac
- d. Medium Density Detached Residential (R4), 4.1 to 7.0 du/ac
- e. Medium Density Residential (R5), 5.1 to 10.0 du/ac
- f. Medium Density Multiple Family (MF) Residential (R10), 10.1 to 20.0 du/ac
- g. High Density Multiple Family (MF) Residential (R20), 20.1 to 30.0 du/ac
- h. Mixed Use (MU), 0.4 FAR for commercial and up to 0.8 FAR if housing is incorporated
- i. General Commercial (CG), 0.4 FAR for commercial use
- j. Downtown Core (CD), up to 1.2 FAR for commercial and up to 2.0 FAR if housing is incorporated
- k. Business and Professional Office (BPO), 0.4 FAR for commercial use

*Note: FAR (Floor Area Ratio) is the ratio of building area to lot size*

The potential housing sites table identifies a number of sites, including the "combined" Downtown Core area, for the potential development of 249 units, which can be substantiated as follows: In addition to factoring in constraints, it is important to clarify that the unit count, 249 for the Downtown Core, is not based on a density range (units/acre), but rather a Floor Area Ratio (FAR). Thus, other than physical constraints such as parking, there is no prescribed restriction on the number of units achievable. Further, per Novato's newly adopted Zoning Ordinance (April 2001), the City offers FAR increases as an incentive if housing is incorporated into a development in its Mixed Use (MU) and Downtown Core (CD) land use districts. Thus, these districts now provide for high density/multi family housing opportunities (see summary below).

**Mixed Use (MU):** Maximum FAR is 0.4 for commercial uses and up to 0.8 if housing is incorporated (*double the development density and, on average, 35 units/acre*)

**Downtown Core (CD):** Maximum FAR is 1.2 for commercial uses and up to 2.0 if housing is included (*60 percent increase in the development density and, on average, 50 units/acre*)



The potential housing sites table does not identify potential housing sites in the Neighborhood Commercial (CN) district, however, housing is now permitted through the updated Zoning Ordinance and FAR incentives (from 0.4 FAR to 0.6 FAR), which provide a 50 percent increase in development density.

Given the zoning changes described above, the example below depicts the housing redevelopment capacity of a fairly typical parcel within Novato's Downtown Core (Note: Downtown Core provides a housing incentive from 1.2 FAR (for retail/commercial only) to 2.0 FAR if housing is incorporated above the ground floor).

**Housing Capacity Analysis Using FAR (Floor Area Ratio):** Example of a 7,500 Square Foot Parcel in the Downtown (2.0 FAR and 58 Units/Acre Result)

**Parcel Area**

7,500 sq. ft. Parcel (0.17 acres) = 15,000 sq. ft of building area (7,500 x 2.0 FAR)

**Non-Residential Use**

3,000 sq. ft. ground floor retail

4,500 sq. ft. ground floor parking area

15 spaces (4,500/300 sq. ft. gross area per space; parking areas are exempt from FAR per the Zoning Code)

**Residential Use**

12,000 sq. ft. available for apartments/condos above ground floor

1.5 parking per 2 bedroom unit (example based on 2 bedroom units)

10 units yielded (need for 15 parking spaces)

**Residential Density**

58 units per acre

(10 units/0.17 acre parcel)

*See attached "Potential Residential Development Sites."*



HO Table 1B  
**Appendix B**  
**Potential Residential Development Sites**

| PROJECT NAME                     | LOCATION/DESCRIPTION         | AP #            | ACREAGE | LAND USE | DENSITY/AC<br>or [FAR] | UNIT<br>TYPE | EXISTING<br>UNITS | ADDITIONAL<br>UNITS | TOTAL<br>POTENTIAL<br>UNITS |
|----------------------------------|------------------------------|-----------------|---------|----------|------------------------|--------------|-------------------|---------------------|-----------------------------|
| <b>VACANT SITES</b>              |                              |                 |         |          |                        |              |                   |                     |                             |
| Jr. High School Site             | San Marin Dr/San Andreas Dr  | 124-010-08      | 21.58   | R4       | 7                      | SF           | 0                 | 99                  | 99                          |
| Bahia                            | Bahia Attached Single Family | 143-151-06      | 6.83    | R1       | 5                      | ASF          | 0                 | 6                   | 6                           |
| Bahia                            | Bahia Drive                  | 143-272-07      | 8.72    | CON/R1   | 5                      | MF           | 0                 | 24                  | 24                          |
| Laguna Vista Drive               | Laguna Vista Drive           | 143-171-57      | 27.84   | RVL      | 1                      | SF           | 0                 | 13                  | 13                          |
| Barrick                          | Fieldridge Drive             | 143-330-74      | 16.00   | RVL      | 1                      | SF           | 0                 | 16                  | 16                          |
| Marion Avenue (Sproete)          | Marion Avenue                | 141-130-32      | 10.50   | R1       | 5                      | SF           | 0                 | 8                   | 8                           |
| Hobbs                            | Hillside Constraints         | 141-130-76      | 7.48    | RVL      | 1                      | SF           | 0                 | 4                   | 4                           |
| Old water tank site              | Hillside Constraints         | 140-251-02      | 0.80    | R1       | 5                      | SF           | 0                 | 1                   | 1                           |
| North Marin Water District       | Hillside Constraints/Trees   | 153-111-10      | 4.50    | RVL      | 1                      | SF           | 0                 | 3                   | 3                           |
| Walker                           | Hillside Constraints/Trees   | 153-182-21      | 1.90    | RVL      | 1                      | SF           | 0                 | 1                   | 1                           |
| Horst                            | Hillside Constraints/Trees   | 153-182-43      | 14.05   | RVL      | 1                      | SF           | 0                 | 11                  | 11                          |
| Sunset Ridge                     | Hillside W of Sunset Pkwy    | 150-030-01 & 04 | 34.01   | RVL      | 1                      | SF           | 0                 | 9                   | 9                           |
| San Pablo Site                   | San Pablo Ave-Hamilton       | 157-180-35      | 3.00    | R5       | 9                      | SF           | 0                 | 20                  | 20                          |
| Hamilton Senior Housing Site     | N Hamilton Parkway           | 157-860-03      | 1.50    | R5       | 10                     | MF           | 0                 | 25                  | 25                          |
| Pacheco Ranch                    | Alameda Del Prado            | 160-020-44      | 17.22   | R1       | 5                      | SF           | 0                 | 43                  | 43                          |
| Cherry Hill Townhomes/Apartments | 727 Cherry Street            | 143-072-31      | 1.40    | R5       | 10                     | MF           | 0                 | 13                  | 13                          |
| Sansone                          | 810 Davidson Street          | 153-111-07      | 1.50    | R1       | 5                      | SF           | 0                 | 2                   | 2                           |
| Virginia Oaks                    | 1827 Virginia Avenue         | 141-142-03      | 1.00    | R5       | 5                      | SF           | 0                 | 5                   | 5                           |
| Magnisi                          | Magnisi                      | 153-022-28      | 0.09    | R1       | 5                      | SF           | 0                 | 1                   | 1                           |
| Fiedel                           | Orange Ave                   | 153-022-31      | 1.22    | R5       | 10                     | SF           | 0                 | 8                   | 8                           |
| Fiedel                           | Orange Ave                   | 153-053-13      | 1.46    | R5       | 10                     | SF           | 0                 | 2                   | 2                           |
| Parker Property                  | 1017 4th Street              | 141-253-09      | 0.17    | R10      | 20                     | ASF          | 0                 | 3                   | 3                           |
| Subtotals                        |                              |                 |         |          |                        |              |                   | 317                 | 317                         |



| PROJECT NAME         | LOCATION/DESCRIPTION  | AP #            | ACREAGE | LAND USE | DENSITY/AC<br>or [FAR] | UNIT<br>TYPE | EXISTING<br>UNITS | ADDITIONAL<br>UNITS | TOTAL<br>POTENTIAL<br>UNITS |
|----------------------|-----------------------|-----------------|---------|----------|------------------------|--------------|-------------------|---------------------|-----------------------------|
| UNDERDEVELOPED SITES |                       |                 |         |          |                        |              |                   |                     |                             |
| Dinkelspiel          | 2349 Novato Boulevard | 132-031-04      | 4.59    | R1       | 5                      | SF           | 4                 | 13                  | 17                          |
| Waterford            | 2285 Novato Boulevard | 132-031-06      | 5.00    | R1       | 5                      | SF           | 1                 | 8                   | 9                           |
| Thorsson             | 2311 Novato Boulevard | 132-031-07      | 1.29    | R1       | 5                      | SF           | 1                 | 1                   | 2                           |
| Johnston             | 2373 Novato Boulevard | 132-031-10      | 1.87    | R1       | 5                      | SF           | 2                 | 3                   | 5                           |
| Marks                | 870 Sutro             | 132-031-11      | 2.69    | R1       | 5                      | SF           | 1                 | 6                   | 7                           |
| Schafer              | 896 Sutro             | 132-031-12      | 2.23    | R1       | 5                      | SF           | 1                 | 4                   | 5                           |
| Yee                  | 1291 7th Street       | 141-120-03      | 4.20    | RVL      | 1                      | SF           | 1                 | 1                   | 2                           |
| Raley                | 1205 7th Street       | 141-120-31      | 4.95    | RVL      | 1                      | SF           | 1                 | 2                   | 3                           |
| Van den Toorn        | 501 Canyon Road       | 146-090-06      | 28.49   | RVL      | 1                      | SF           | 4                 | 10                  | 14                          |
| Cox                  | 652 McClay            | 146-090-08      | 19.59   | RVL      | 1                      | SF           | 1                 | 9                   | 10                          |
| Wick                 | 566 Davidson          | 153-182-07      | 4.82    | RVL      | 1                      | SF           | 1                 | 3                   | 4                           |
| Hill                 | 580 Davidson          | 153-182-08      | 5.00    | RVL      | 1                      | SF           | 1                 | 3                   | 4                           |
| Richardson/Martinez  | Deer Island Lane      | 153-190-29 & 04 | 6.52    | RR       | 0.49                   | SF           | 1                 | 2                   | 3                           |
| Lang                 | 827 DeLong            | 153-064-15      | 2.63    | MU       | [0.8]                  | MF           | 1                 | 10                  | 11                          |
| Ricco Property       | 1013 First Street     | 141-263-24      | 0.34    | MU       | [0.8]                  | MF           | 6                 | 8                   | 14                          |
| Squellati Property   | 1053 3rd Street       | 141-261-30      | 0.34    | R10      | 20                     | ASF          | 1                 | 4                   | 5                           |
| Subtotals            |                       |                 |         |          |                        |              |                   | 87                  | 115                         |



| PROJECT NAME                                        | LOCATION/DESCRIPTION        | AP #                   | ACREAGE  | LAND USE     | DENSITY/AC<br>or [FAR] | UNIT<br>TYPE | EXISTING<br>UNITS | ADDITIONAL<br>UNITS | TOTAL<br>POTENTIAL<br>UNITS |
|-----------------------------------------------------|-----------------------------|------------------------|----------|--------------|------------------------|--------------|-------------------|---------------------|-----------------------------|
| <b>REDEVELOPMENT/REUSE SITES</b>                    |                             |                        |          |              |                        |              |                   |                     |                             |
| Pini Mill/Depot Site                                | 730 Scott Court             | 153-057-01             | 0.48     | CD           | 2.0                    | MF           | 0                 | 25                  | 25                          |
| Inn Marin                                           | 300 Entrada                 | 160-161-21             | 4.83     | MU           | [0.8]                  | MF           | 0                 | 67                  | 67                          |
| Atherton Ranch Commercial                           | 7533 Redwood Boulevard      | 125-300-09             | 9.67     | MU           | [0.8]                  | MF           | 0                 | 28                  | 28                          |
| Flynn/Van den Toorn                                 | Redwood Boulevard by Lawgic | 153-121-03             | 2.83     | MU           | [0.8]                  | MF           | 0                 | 20                  | 20                          |
| Downtown Novato Specific Plan<br>Area               | Downtown Novato             | combined               | combined | CD           | [2.0]                  | MF           | 0                 | 249                 | 249                         |
| Subtotals                                           |                             |                        |          |              |                        |              |                   | 389                 | 389                         |
| <b>POTENTIAL REZONE SITES - VACANT</b>              |                             |                        |          |              |                        |              |                   |                     |                             |
| Novato Gateway Center                               | 7530 Redwood Boulevard      | 143-011-05             | 4.09     | CG (to MU)   | [0.4 to 0.8]           | MF           | 0                 | 80                  | 80                          |
| Bayside Community Church                            | 1461 S. Novato Boulevard    | 151-022-09             | 3.93     | R1 (to R20)  | 30                     | MF           | 0                 | 60                  | 60                          |
| Barragan Property                                   | 1901 Novato Boulevard       | 140-011-80             | 1.31     | R1 (to R10)  | 20                     | MF           | 0                 | 20                  | 20                          |
| Subtotals                                           |                             |                        |          |              |                        |              |                   | 160                 | 160                         |
| <b>POTENTIAL REZONE SITES - REDEVELOPMENT/REUSE</b> |                             |                        |          |              |                        |              |                   |                     |                             |
| Novato Gateway South                                | 7506 Redwood Boulevard      | 143-011-01             | 3.86     | CG (to MU)   | [0.4 to 0.8]           | MF           | 0                 | 40                  | 40                          |
| Dairymens Milling Co.                               | 7546 Redwood Boulevard      | 143-011-06             | 3.15     | CG (to MU)   | [0.4 to 0.8]           | MF           |                   | 25                  | 25                          |
| Mission Lodge                                       | 945 Front Street            | 141-303-03, 04, 06, 07 | 1.49     | CG (to MU)   | [0.4 to 0.8]           | MF           | 0                 | 16                  | 16                          |
| Senior Access                                       | 1905 Novato Boulevard       | 140-011-66             | 1.00     | R1 (to R10)  | 20                     | MF           | 0                 | 5                   | 5                           |
| Old Community Hospital                              | 1625 Hill Road              | 140-341-14             | 7.37     | BPO (to R10) | [0.4 to 0.6]           | MF           | 0                 | 80                  | 80                          |
| Ruzick Property                                     | 1902 Novato Boulevard       | 141-062-36             | 1.09     | R5 (to R10)  | 20                     | MF           | 1                 | 14                  | 15                          |
| Subtotals                                           |                             |                        |          |              |                        |              |                   | 180                 | 181                         |



| PROJECT NAME                              | LOCATION/DESCRIPTION | AP # | ACREAGE | LAND USE | DENSITY/AC<br>or [FAR] | UNIT<br>TYPE | EXISTING<br>UNITS | ADDITIONAL<br>UNITS | TOTAL<br>POTENTIAL<br>UNITS |
|-------------------------------------------|----------------------|------|---------|----------|------------------------|--------------|-------------------|---------------------|-----------------------------|
| Total New Units Vacant Sites              | 317                  |      |         |          |                        |              |                   |                     |                             |
| Total New Units Underdeveloped Sites      | 87                   |      |         |          |                        |              |                   |                     |                             |
| Total New Units Redevelopment/Reuse Sites | 389                  |      |         |          |                        |              |                   |                     |                             |
| Potential Rezone Sites - Vacant           | 160                  |      |         |          |                        |              |                   |                     |                             |
| Potential Rezone Sites - Redev.           | 180                  |      |         |          |                        |              |                   |                     |                             |
|                                           |                      |      |         |          |                        |              |                   |                     |                             |
| Total New Units                           | 1,133                |      |         |          |                        |              |                   |                     |                             |



## Appendix C

# Summary of Novato Housing Element Implementing Programs

### Overview

The tables which follow summarize the Revised Draft Housing Element implementing programs, including target year, responsible department or agency and quantified objectives for the maximum number of units to be conserved, rehabilitated or constructed during the 1999-2006 Housing Element planning period. The programs represent the City's best effort in meeting the housing needs identified in this Housing Element.



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# Summary of Novato Housing Element Implementing Programs

HO Table C1

| Number | Implementing Program Title                                                      | Target Year | Responsible Department or Agency | Very Low Income Units | Low Income Units | Moderate Income Units | Total Housing Units |
|--------|---------------------------------------------------------------------------------|-------------|----------------------------------|-----------------------|------------------|-----------------------|---------------------|
| 1.A    | Prepare Information and Conduct Community Outreach Activities on Housing Issues | 2003        | CD, HAT, HSC                     |                       |                  |                       |                     |
| 1.B    | Collaborate on Inter-Jurisdictional Strategic Action Plan for Housing           | 2002        | CC, CM, CD                       |                       |                  |                       |                     |
| 1.C    | Undertake Coordinated Lobbying Efforts on State Legislation                     | Ongoing     | CC, CM, CD                       |                       |                  |                       |                     |
| 2.A    | Require Non-discrimination Clauses                                              | Ongoing     | CD, CA                           |                       |                  |                       |                     |
| 2.B    | Respond to Complaints                                                           | Ongoing     | CD, CA                           |                       |                  |                       |                     |
| 2.C    | Undertake Actions to Prevent Discrimination                                     | Ongoing     | CD; HAT                          |                       |                  |                       |                     |
| 3.A    | Prepare Multifamily Housing Design Criteria                                     | 2003        | CD                               |                       |                  |                       |                     |
| 3.B    | Promote Solar Design                                                            | 2004        | CD                               |                       |                  |                       |                     |
| 3.C    | Establish "Green" Building Standards and Processes                              | 2004        | CD                               |                       |                  |                       |                     |
| 4.A    | Link Code Enforcement with Public Information Programs                          | Ongoing     | CD                               |                       |                  |                       |                     |
| 4.B    | Implement Rehabilitation and Energy Loan Programs                               | Ongoing     | CD; MHA; PG&E                    | 10                    | 10               | 0                     | 20                  |
| 4.C    | Modify the City's Condominium Conversion Ordinance                              | 2004        | CD; CC                           |                       |                  |                       |                     |
| 4.D    | Inventory of Affordable Housing                                                 | 2003        | CD; HAT                          |                       |                  |                       |                     |
| 4.E    | Acquire Existing Affordable Rental Housing                                      | Ongoing     | CD; HAT                          | 5                     | 5                | 10                    | 20                  |
| 4.F    | Support Volunteer Efforts                                                       | Ongoing     | CD; HSC                          |                       |                  |                       |                     |
| 4.G    | Review Condominium Conversion Ordinance                                         | 2004        | CD; CC                           |                       |                  |                       |                     |
| 4.H    | Identify Mobile Home Park Ownership Opportunities                               | 2004        | CD; HAT                          |                       |                  |                       |                     |



| Number | Implementing Program Title                                                                       | Target Year | Responsible Department or Agency | Very Low Income Units | Low Income Units | Moderate Income Units | Total Housing Units |
|--------|--------------------------------------------------------------------------------------------------|-------------|----------------------------------|-----------------------|------------------|-----------------------|---------------------|
| 4.I    | Regulate Displacement of Residential Units                                                       | 2004        | CD; CC                           |                       |                  |                       |                     |
| 4.J    | Reduce Mobile Home Fees                                                                          | 2004        | CD; CC                           |                       |                  |                       |                     |
| 5.A    | Complete Commercial/Housing Nexus Study                                                          | 2003        | CD                               |                       |                  |                       |                     |
| 5.B    | Adopt a Job/Housing Linkage Fee Program                                                          | 2003        | CD; CC                           |                       |                  |                       |                     |
| 5.C    | Identify Existing Employee Housing Opportunities                                                 | Ongoing     | CD; CC                           |                       |                  |                       |                     |
| 5.D    | Promote Zoning for Live/Work Opportunities                                                       | 2004        | CD                               | 0                     | 0                | 6                     | 6                   |
| 5.E    | Transit-Oriented Development Locations                                                           | Ongoing     | CD                               |                       |                  |                       |                     |
| 6.A    | Implement Redevelopment Agency Housing Programs, Including the Hamilton Army Airfield Reuse Plan | Ongoing     | CD; RA                           | 235                   | 540              | 354                   | 1,129               |
| 6.B    | Modify Multi-Family Zoning Standards                                                             | 2003        | CD; CC                           |                       |                  |                       |                     |
| 6.C    | Implement Actions to Address Remaining Very Low Income Housing Need                              | 2004        | CD; RA; CC                       | 35                    | 0                | 0                     | 35                  |
| 6.D    | Evaluate Additional Residential and Non-Residential Sites for Multi-Family Housing               | 2004        | CD; CC                           |                       |                  |                       |                     |
| 6.E    | Seek Increased Multi-Family Housing Opportunities                                                | Ongoing     | CD; CC                           | 10                    | 10               | 30                    | 40                  |
| 6.F    | Evaluate Land Uses in all Neighborhoods, including the Northwest Quad                            | 2003        | CD                               |                       |                  |                       |                     |
| 6.G    | Apply CEQA Exemptions and Expedited Review                                                       | Ongoing     | CD; CC                           |                       |                  |                       |                     |
| 6.H    | Encourage Co-Housing, Cooperatives, and Similar Collaborative Housing Development                | Ongoing     | CD                               | 5                     | 5                | 5                     | 15                  |
| 6.I    | Create Homesharing and Tenant Matching Opportunities                                             | Ongoing     | CD; HSC                          | 2                     | 2                | 2                     | 6                   |
| 6.J    | Zone and Provide Appropriate Standards for SRO Units and Efficiency Apartments                   | 2004        | CD; CC                           |                       |                  |                       |                     |



| Number | Implementing Program Title                                                                         | Target Year | Responsible Department or Agency | Very Low Income Units | Low Income Units | Moderate Income Units | Total Housing Units |
|--------|----------------------------------------------------------------------------------------------------|-------------|----------------------------------|-----------------------|------------------|-----------------------|---------------------|
| 6.K    | Implement Transfer of Development Rights (TDR)                                                     | 2004        | CD                               |                       |                  |                       |                     |
| 6.L    | Develop School Property for Housing                                                                | 2004        | CD; CM; CC                       | 5                     | 5                | 5                     | 15                  |
| 6.M    | Update Parking Standards                                                                           | 2004        | CD; CC                           |                       |                  |                       |                     |
| 7.A    | Apply Mixed Use Development Standards and Incentives                                               | Ongoing     | CD                               | 10                    | 10               | 30                    | 50                  |
| 7.B    | Potential Mixed Use Sites                                                                          | Ongoing     | CD; CC                           |                       |                  |                       |                     |
| 8.A    | Apply Density Bonus Zoning and Other Incentives                                                    | Ongoing     | CD; CC                           |                       |                  |                       |                     |
| 8.B    | Conduct a Detailed Affordable Housing Sites Feasibility Study                                      | 2004        | CD; HAT                          |                       |                  |                       |                     |
| 8.C    | Facilitate Development at Key Housing Opportunity Sites, including the Downtown Redevelopment Area | Ongoing     | CD                               | 10                    | 10               | 30                    | 50                  |
| 8.D    | Water and Sewer Fees                                                                               | 2004        | CD; CC                           |                       |                  |                       |                     |
| 9.A    | Revise the City's Inclusionary Ordinance                                                           | 2003        | CD; HSC; CC                      |                       |                  |                       |                     |
| 9.B    | Work with the Marin Housing Authority                                                              | 2004        | CD; RA; MHA                      |                       |                  |                       |                     |
| 10.A   | Modify Accessory Dwelling Unit Development Standards and Permit Process                            | 2003        | CD; CC; HSC                      | 5                     | 0                | 7                     | 12                  |
| 10.B   | Establish an Amnesty Program for Un-Permitted Second Units                                         | 2004        | CD; CC; HSC                      | 2                     | 2                | 4                     | 8                   |
| 11.A   | Assure Good Neighborhood Relations Involving Emergency Shelters and Residential Care Facilities    | Ongoing     | CD                               |                       |                  |                       |                     |
| 11.B   | First Time Home Buyer Programs                                                                     | Ongoing     | CD; HAT                          | 0                     | 0                | 8                     | 8                   |
| 11.C   | Government Employees Housing                                                                       | Ongoing     | CD; CC                           |                       |                  |                       |                     |
| 12.A   | Assist in the Effective Use of Available Rental Assistance Programs                                | Ongoing     | CD; MHA                          | 500                   | 0                | 20                    | 520                 |



| Number                          | Implementing Program Title                                           | Target Year | Responsible Department or Agency | Very Low Income Units | Low Income Units | Moderate Income Units | Total Housing Units |
|---------------------------------|----------------------------------------------------------------------|-------------|----------------------------------|-----------------------|------------------|-----------------------|---------------------|
| 12.B                            | Maintain Programs to Address Homeless Needs                          | Ongoing     | CD; CC                           |                       |                  |                       |                     |
| 13.A                            | Maintain and Develop Local Sources of Funding for Affordable Housing | 2003        | CD; CM; CC                       |                       |                  |                       |                     |
| 13.B                            | Seek Funding Resources                                               | Ongoing     | CD; CM; CC                       |                       |                  |                       |                     |
| 13.C                            | Coordinate Funding Among Development Proposals                       | Ongoing     | CD; CC; RA                       |                       |                  |                       |                     |
| 13.D                            | Utilize Redevelopment Housing Funds                                  | Ongoing     | CC; RA                           |                       |                  |                       |                     |
| 14.A                            | Conduct an Annual Housing Element Review                             | Annually    | CD; HSC                          |                       |                  |                       |                     |
| 14.B                            | Update the Housing Element Regularly                                 | 2006        | CD; HSC; CC                      |                       |                  |                       |                     |
| 14.C                            | Support Establishment of a Countywide Housing Assistance Team (HAT)  | 2003        | CD; CM; CC                       |                       |                  |                       |                     |
| 14.D                            | Conduct Staff Training                                               | Ongoing     | CD; HAT                          |                       |                  |                       |                     |
| 14.E                            | Support Establishment of a Countywide Housing Data Clearinghouse     | 2003        | CD; HAT                          |                       |                  |                       |                     |
| Total Units to be Conserved     |                                                                      | 2006        |                                  | 507                   | 7                | 32                    | 546                 |
| Total Units to be Rehabilitated |                                                                      | 2006        |                                  | 10                    | 10               | 0                     | 20                  |
| Total Units Constructed         |                                                                      | 2006        |                                  | 317                   | 582              | 471                   | 1,360               |

|     |                                                                                                    |
|-----|----------------------------------------------------------------------------------------------------|
| CD  | Community Development Department                                                                   |
| CC  | City Council                                                                                       |
| PC  | Planning Commission                                                                                |
| HSC | Housing and Services Commission                                                                    |
| CM  | City Manager                                                                                       |
| RA  | Redevelopment Agency                                                                               |
| MHA | Marin Housing Authority                                                                            |
| MCF | Marin Community Foundation                                                                         |
| CA  | City Attorney                                                                                      |
| HAT | Marin County "Housing Assistance Team" (if created, funded, and implemented at a countywide level) |



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